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ABSTRACT

This document presents prepared statements and witness testimony from the Congressional hearing on the Older Americans Act. An opening statement by Senator Charles Grassley, subcommittee chairman, contains a brief overview of the Older Americans Act. An extensive statement on the proposed targeting of services mandated under Title III of the Older Americans Act is given by representatives of the Office of Human Development and the Administration on Aging. Information is given on demographics, issues involved in targeting services, service needs, financial considerations, eligibility requirements, and local initiatives. Witness testimony is given by representatives of ethnic and racial groups, state and federal agencies on aging and nutrition, and university gerontology departments. Topics which are covered include health needs of the elderly, health needs of the minority elderly, community and national program efforts, local economic needs for program survival, and targeting policy options and suggested mandates. The document concludes with articles and publications on the 1984 Older Americans Act amendments, and the text of the questions of Senator Grassley along with witness responses. (BL)

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TARGETING SCARCE RESOURCES UNDER THE OLDER AMERICANS ACT

HEARING

BEFORE THE

SUBCOMMITTEE ON AGING

OF THE

COMMITTEE ON
LABOR AND HUMAN RESOURCES
UNITED STATES SENATE

NINETY-EIGHTH CONGRESS

FIRST SESSION

ON

EXAMINATION OF THE TARGETING OF SERVICES NEEDED TO MAINTAIN ECONOMIC AND SOCIAL INDEPENDENCE OF OLDER PEOPLE AS MANDATED IN TITLE III OF THE OLDER AMERICANS ACT

NOVEMBER 15, 1983

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TARGETING SCARCE RESOURCES UNDER THE OLDER AMERICANS ACT

TUESDAY, NOVEMBER 15, 1983

U.S. SENATE,
SUBCOMMITTEE ON AGING,
COMMITTEE ON LABOR AND HUMAN RESOURCES,
Washington, D.C.

The subcommittee met, pursuant to notice, at 10:07 a.m., in room SD-430, Dirksen Senate Office Building, Senator Charles E. Grassley (chairman of the subcommittee) presiding.

Present: Senator Grassley.

OPENING STATEMENT OF SENATOR GRASSLEY

Senator **GRASSLEY**. I would at this time like to call this hearing, held by the Subcommittee on Aging of the full Committee on Labor and Human Resources, to order. I welcome all of you who are here.

Today we are in the second of a series of hearings on the Older Americans Act, which we hope will lead to reauthorization of the act by May 1984.

We turn to consideration of one of the most basic questions which this act raises; namely, who shall be served by its programs.

Older Americans Act programs have been open to all older people since the act's inception in 1965. Since at least 1972, however, Congress has been concerned that the resources available under the act are limited and that certain groups of the elderly are especially needy. Therefore, in an effort to see that scarce resources are directed to the most needy without at the same time restricting participation by all individuals 60 years or older, Congress has included in the act language which directs that preference will be given in providing services to specific groups of older people.

Since the gap between the need for resources and their availability will probably grow, the Senate will surely continue to be interested in targeting scarce resources on the most needy. At the same time, however, we will want to insure that all older people can participate in Older Americans Act programs. That is why it is all the more important for us to stake out clearly our underlying philosophy on targeting, and hence, the purpose of this hearing.

Our basic purpose here is to help determine whether the targeting provisions of the act are sufficient as they now stand or whether they should be changed. We will be hearing from experts on four main issues raised by a targeting policy.

The most basic question, of course, is whether the Older Americans Act should remain open to all older persons while at the same time giving preferred status to certain groups of older people. The consensus on this question seems to be that the act's present emphasis is appropriate. Nevertheless, we will give our witnesses today an opportunity to address this question.

Since we will probably want to focus some portion of Older Americans Act resources on the most needy, a second question is: What do we mean by the most needy? Congress has identified since 1972 several different groups of elderly for special consideration. These include low-income individuals, minorities, limited-English-speaking individuals and persons with greatest economic or social needs. Of all these categories, the primary targeting language is presumed to be that which refers to the "economically or socially most needy." This term is not further defined in the act. We must then ask ourselves whether we want to define more precisely the groups we want to target. We will also attempt to answer this question today.

Entangled with the definition issue is the question of how specific targeting decisions will be made. For some time, administration of targeting policy has been decentralized to the State and area agencies on aging and direct service providers. The Federal Council on Aging recently endorsed this decentralized implementation strategy, while suggesting certain improvements and refinements in it. Again, we must examine whether this is an appropriate way to achieve the goals of targeting or whether greater Federal control is needed.

If we continue a decentralized targeting policy, what should be the role of the Administration on Aging in it?

Does the Administration on Aging at the present time provide sufficient support to the aging network so that it can implement targeting policy in an effective and efficient manner?

The final issue involves accountability. Does the data collected at the various levels in the Older Americans Act structure accurately portray the results of targeting policy efforts so that we here at the national level who authorize these activities know whether the purposes of the act are being carried out or not?

Let me now turn to our first witness. Before I do, however, I want to point out that the Congressional Research Service has prepared for inclusion in our package of testimony a review of targeting efforts since the inception of the act. My thanks go to Carol O'Shaugnessy of CRS for her efforts.

[The CRS review referred to appears on p. 233.]

Senator **Grassley**. Our first witness today is Dorcas Hardy, Assistant Secretary for Human Development Services. Ms. Hardy is in charge of the office in which the Administration on Aging is located.

I have a message here that Lennie-Marie Tolliver, from whom we have heard before and from whom we will hear again as we go about reauthorizing the Older Americans Act, had a conflict—is that correct—and could not be with us today.

Ms. **Hardy**. Yes, Senator.

Senator **Grassley**. I would like to have you know, Ms. Hardy, that I am very pleased to have you discuss with us this very important topic. You certainly are in a position to know the Older Americans Act program well through your responsibility as Assistant

Secretary, and, of course, I know that you will help us have a better understanding of the targeting issues.

I would ask you at this point to proceed, and as is customary not only for administration witnesses but for anybody who desires, we would encourage the inclusion of the entire testimony in the record in toto, and then a summarization of your testimony, and we will have the light system operate. It is not a hard and fast rule, but I would appreciate each witness following it to the extent possible.

Please go ahead.

STATEMENT OF HON. DORCAS R. HARDY, ASSISTANT SECRETARY, OFFICE OF HUMAN DEVELOPMENT SERVICES, ACCOMPANIED BY MIKE SUZUKI, ASSOCIATE COMMISSIONER, ADMINISTRATION ON AGING, AND DAVID RUST, DIRECTOR, OFFICE OF POLICY AND LEGISLATION

Ms. **Hardy**. Thank you, Mr. Chairman.

I am pleased to be here today to discuss with you targeting of services as mandated under title III of the Older Americans Act, and also to share with you some of the actions that have been taken by the Department of Health and Human Services to respond to this mandate.

As you know, this administration has consistently articulated a policy of supporting programs that help the truly needy.

But first, I would like to take this opportunity to state that, fortunately, for all of us, older persons as a group and on the whole are doing quite well. A 1981 study by Lou Harris & Associates, which I believe you may be familiar with, noted that the elderly in our society are very resilient and independent. They want to make a major contribution to the mainstream of life in the work that they do and are capable of doing.

The findings shed some interesting light on this singular mark of the elderly. The study found that 87 percent of the elderly share the view that older persons today are better-educated and healthier than they were 10 to 20 years ago, and the findings also indicated a high ratio of life satisfaction among the elderly, with such statements as: "The things I do are as interesting as they ever were." "I would not change my past life." And, "I am looking forward to things happening to me in the future."

However, we all know that there are groups of older persons who are not optimistic about their old age and who are indeed truly in need in terms of health, income, and services to maintain self-sufficiency and independence. And it is the need to serve these people through title III of the Older Americans Act which I would like to address today.

Title III is not the only portion of the Older Americans Act which provides resources for older Americans, but it is, however, the major source of support for direct services to individuals which are provided by the aging network. Any consideration of the current and future focus of title III programs needs to include a realization of the changes in our older population.

During the 20th century, our Nation's older population has been growing much faster than the population as a whole, and it is expected to continue that very rapid growth through the first one-third of the next century. So, as we look ahead and compare it to the past, some of these statistics come to the fore.

At the beginning of the century, persons who were age 60 or over represented 1 of every 16 persons in the country, and by the year 2030, they will comprise 27 percent of the population.

Currently, one-fourth of the older population is 75 and older, and this proportion is expected to increase to over one-third by 2030.

Older women outnumbered older men by nearly 6 million in 1980, and this difference is projected to reach as many as 12 million by 2030.

The almost 3.5 million minority older persons in 1980 are projected to grow in number to over 13 million in 2030.

These changing characteristics of our older population set the framework for a future course of action which needs to balance social needs with fiscal constraints. In the past, questions have often been raised about targeting, and these should be viewed in the light of the changing population. The major issues are the advisability of targeting, the appropriate target groups and the priority among them, and the appropriate locus of government responsibility, as you pointed out in your remarks.

In 1978, Congress specifically mandated a targeting strategy in the Older Americans Act, and some form of targeting of resources to areas of greatest need has always been a characteristic of the act.

The 1978 amendments specified that funds should be spent in order to serve those elderly in greatest economic or social need, and States and area agencies were to define in the context of their own older populations the policy meaning of greatest economic or social needs.

The regulations issued to implement the 1978 amendments specifically linked the targeting mandate to the requirement for an intrastate funding formula for the allocation of Federal funds to local areas.

Broad definitions of greatest economic or social need are also included in the regulations, and States have constructed a great variety of intrastate funding formulas in combination with this greatest economic or social need target requirement.

Currently, the Office of Human Development Services and the Administration on Aging are using a number of means to assist the aging network in implementing their targeting responsibilities. In the annual planning agenda, the Administration on Aging has an operational initiative of targeting resources to those who are in greatest economic or social need. And as we look at our accomplishments in fiscal year 1983, we had a strategy for increasing minority participation in title III programs, and the 1984 State plans, which have now been submitted to AOA, reflect realization of the need for such targeting.

Through related objectives, we hope to reduce dependency and to promote opportunities to secure and maintain social and economic independence and self-sufficiency. Specifically, we intend to provide some models which will assist States to improve conditions for maintaining vulnerable older persons in their homes or the least restrictive setting, to promote improvement of community health care, and to promote opportunities for older persons' employment, both in the network and in the private sector.

In the Administration on Aging's guidance for the State plans, for the cycle that has begun in fiscal year 1984, States were urged to work with area agencies to develop comprehensive and meaningful State policies to assure solid needs analysis. They were also urged, in review of their current formulas, to insure that they will in fact distribute funds to those in greatest economic or social need, as reflected in the 1980 census data and to continue their attention to the needs of rural areas.

We have, however, a considerable amount of evidence that title III funds are already being targeted to persons with greatest economic or social need. The National Association of State Units on Aging, and the National Association of Area Agencies on Aging national data base have provided us with several figures.

Although only 28 percent of the 65-plus U.S. population is 75 years or older, 40 percent of our participants in congregate meals and 59 percent of the participants in home-delivered meals are 75-plus. As we look at the population of 60-plus in this country, we find that 14 percent are reported to be in poverty. Sixty percent of our participants in congregate meals and 64 percent of our participants in home-delivered meals are classified as low-income.

While only 26 percent of the 60-plus population were living alone in 1982, 53 percent of our congregate meals and 66 of our home-delivered meals participants were living alone.

Twelve percent of our population of 60-plus is minority, but 16 percent of our congregate meal and 22 percent of our home-delivered meals participants are minorities, and the same is true in equal ratios for users of transportation services and users of homemaker services.

Under the title IV, discretionary grants program, we funded several projects directly or indirectly relating to targeting of title III. The Administration on Aging provided a grant on services to minority elderly which assessed the extent of area agency and service providers' commitment to serving minority elderly, examined the effectiveness of various strategies for providing services, and assessed the use and/or barriers to use of services by older minority persons.

We have another model project on targeting, focused on the intrastate funding formula, as an approach to targeting services to those older persons in the greatest economic or social need.

And in addition, Brandeis University Policy Center on Aging, under a title IV grant, has recently developed an interesting and insightful conceptual framework for understanding the many ways in which targeting operates under title III at all levels. I believe Dr. Binstock, will be presenting his framework in detail to you.

I mentioned several approaches that we have used in the Office of Human Development Services and the Administration on Aging to investigate the issue of targeting. Our administration has consistently articulated a general policy of designing and implementing social programs in a manner that helps the truly needy, and we believe that a variety of needs within the older population can and are currently being targeted within the Older Americans Act.

We do believe, however, that the issues of targeting should be considered very carefully before any major changes are made in existing legislation. The Older Americans Act has historically provided a strong framework for responding extremely flexibly to State and local needs. Practical possibilities are already available to States, area agencies, and service providers for them to target title III more sharply to the economically needy. These could be undertaken without legislative change and at the discretion of or to meet the needs of individual State and area agencies.

I have described some of these possible options in more detail in my written statement.

We at the Federal level stand ready to offer overall policy direction and any necessary technical assistance.

This concludes my prepared remarks, and I appreciate the opportunity to share this information with you. I will be happy to respond to any questions you may have.

I am accompanied here today by Associate Commissioner of the Administration on Aging, Mike Suzuki, and also by David Rust, Director of the Office of Policy and Legislation, HDS.

[The prepared statement and responses to questions of Senator Grassley by Ms. Hardy follow:]

STATEMENT BY
DORCAS R. HARDY
ASSISTANT SECRETARY
OFFICE OF HUMAN DEVELOPMENT SERVICES

BEFORE THE SUBCOMMITTEE ON AGING
COMMITTEE ON LABOR AND HUMAN RESOURCES
UNITED STATES SENATE

November 15, 1983

Mr. Chairman and Members of the Senate Committee on Labor and Human Resources Subcommittee on Aging, I am pleased to be here today to discuss targeting of services as mandated in Title III of the Older Americans Act, along with the actions taken by the Department of Health and Human Services to respond to that mandate. I welcome the opportunity to discuss the goal of directing scarce public resources to specific segments of the American older population. This Administration has consistently articulated a policy of supporting programs that help the truly needy.

Title III is not the only portion of the Older Americans Act which provides resources for Older Americans. It is, however, the major source of support for direct services to individuals which are provided by the network of State Units on Aging (SUA's), Area Agencies on Aging (AAA's) and provider organizations. In Fiscal Year 1983, excluding Title V which is administered by the Department of Labor, over 96% of Older Americans Act appropriations were for Title III. The greater portion of my remarks today will relate to Title III because of its importance in our efforts to reach individual older people with services needed to maintain economic and social independence.

Any consideration of the current and future focus of the Title III program must include a realization of the changes in our older population. During the 20th century, our nation's older population has been growing much faster than the nation's population as a whole and is expected to continue that rapid growth through the first third of the next century. Let me highlight a few important demographic statistics:

- At the beginning of this century, persons aged 60 or over represented one of every sixteen people and by the year 2030 they will comprise 27% of the population;

- Currently one-fourth of the older population is 75 and older, and this proportion is expected to increase to over one-third by 2030. The 85 plus group now constitutes one of every 16 older persons; by 2030, it will represent one of every eleven;

- Older women outnumbered older men by nearly 6 million in 1980, and this difference is projected to reach 12 million by 2030.

- The 3.4 million minority older persons in 1980 are projected to grow in number to 13.1 million in 2030. Older minorities will increase their proportion within the older population from 10% today to 16% by 2030;*

These changing characteristics of our older population set the framework for a future course of action which will balance social needs with fiscal constraints. Some of the likely future changes, such as better education and increased financial resources, will be positive in the sense that they will ease the collective burden of caring for needy individuals. The expected doubling of the aging population within the next fifty years, however, assures the continued existence within the aging population of subgroups which require various forms of assistance to maintain self-sufficiency and independence. These subgroups are disproportionately drawn from those subgroups of the older population expected to grow most rapidly in future years - minorities, women, and the "oldest of the old."

In the past, questions have often been raised about targeting; these should be viewed in the light of the changing population. The major issues are:

(*Because of lack of comparable data, these figures do not include older Hispanics who currently number about 1 million and represent 3% of all persons 60 and older).

- the advisability of targeting--supporters emphasize limited resources available under Title III and the diversity of economic and social need within the older population. Opponents question whether restrictions would be stigmatizing and discouraging to people in real need or constricting to the basis of popular support for the Older Americans Act;

- appropriate target groups and priority among them -- choices would be necessary among older persons with low income, those who are minorities, those who have risk of institutionalization, socially isolated older persons, and the very dependent elderly; and

- the appropriate locus of governmental responsibility for targeting -- Title III legislation and Federal regulations express elements of national policy, and "New Federalism" emphasizes the desirability of State and local determination of social policy priorities.

In 1978, Congress specifically addressed targeting in the Older Americans Act. The 1978 Amendments mandated a specific targeting strategy for Title III supportive service and nutrition grants for State and community programs. Some form of "targeting" of resources to areas of greatest need, however, has always been a characteristic of the Act. Since 1973, the statute has had as one of the purposes of Title III "...to give priority to the elderly with greatest economic and social need." Two elements were further defined in the 1978 Amendments: specific legislative language describing the targeting strategy which States and area agencies must build into their plans, and the requirement that a funding formula be used by the States to allocate their Federal Title III dollars to their Planning and Services Areas (PSA's). (These requirements were explicitly retained by Congress in the 1981 reauthorization of the Act.)

Targeting strategies and funding formula mechanisms have been used previously in Older Americans Act programs. The 1978 Amendments, however, specified that funds should be spent in order to serve those elderly in "greatest economic or social need," but left it to the States and area agencies to define in the context of their own older populations the policy meaning of "greatest economic or social need." The regulations issued by the Administration on Aging to implement the 1978 Amendments specifically links Congress' greatest need targeting mandate to its requirement of an Intrastate Funding Formula for the allocation of Federal funds to local areas:

> The State agency...must develop and use an intrastate funding formula... The formula must...reflect the proportion among the planning and service areas of persons age 60 and over in greatest economic or social need (45FR 21152 at Section 1321.49).

Broad definitions of greatest economic and social need are also included in the regulations. The definition of economic need, selected by AoA from three suggested in the proposed rule, was "at or below the poverty level established by the Bureau of the Census." It was chosen after thorough review of the many comments received during the public comment period. The response in the final rule reads:

> ...we concluded that the first option is the only one likely to result in targeting on those who are in greatest need, and is...most consistent with the intent of the Act.... Since minority older persons are represented in greater incidence among those with lowest income, we believe the choice of the first option will reaffirm our commitment to assure that minority older persons receive the services that they need. (45FR 21126 at section 1321.3).

The definition of greatest social need was given lengthy consideration. It was developed on the basis of program experience since the legislative history did not indicate the specific meaning intended by Congress. The proposed rule defined it as "isolation, physical or mental limitations, racial or cultural obstacles, or other non-economic factors which restrict individual ability to carry out normal activities of daily living and which threaten an individual's capacity to live an independent life." After considering comments made during the public response period, AoA revised the definition in the final rule to include language barriers, and to mention explicitly Blacks, Hispanics, American Indians and Asian Americans as examples of individuals who may experience cultural or social isolation caused by racial or ethnic status. The definition was broad, but we believed that it should encompass all major factors that produce greatest social needs. We also felt that it should be sufficiently precise so State agencies could identify groups covered by it and focus on them.

In response to this requirement, States have constructed a great variety of funding formulas. Generally New Federalism, and particularly the Older Americans Act programs, emphasize State and local responsiveness and innovation in the design and execution of nationally mandated and funded programs. While at times the Act and its accompanying regulations have designated national priorities and reporting standards, it has always emphasized the importance of State and locally-planned programs reflecting State and local populations, policies, and needs. This variation has been evident in the States' responses to the 1978 legislative mandate combining "greatest economic or social need" targeting with the Intrastate Funding Formula. It was most recently supported in the preamble to the Proposed Regulations for the 1981 Amendments to the Older Americans Act. With regard to the information components of the State Plan:

> We believe that these State components are necessary for effective program administration and as a vehicle for communicating the State's Title III agenda to the public. Older people especially need to be kept informed and have a right to know about programs affecting them, and the State Plan becomes the central public document through which they obtain this knowledge (48FR8967, March 2, 1983).

I have described the legislative history and intent as well as some issues around targeting. Now I will turn to some of the current means which the Office of Human Development Services and the Administration on Aging are using to assist the aging network in implementing their targeting responsibilities.

In our annual planning agenda, through which HDS articulates major management goals and objectives for the year, one of the seven goals during my tenure has been to direct Federal budgetary support for services toward the portion of the population which is most needy. AoA has translated this goal into an operational initiative of targeting resources to those who are in greatest economic or social need. One accomplishment in Fiscal Year 1983 was a strategy for increasing minority participation in Title III programs. Statistical information on the AoA target population was prepared, and the FY 1984 State Plans submitted to the Administration on Aging reflected realization of the need for targeting. We will also provide any necessary technical assistance to State and area agencies and will work with them to improve Title III planning, recruitment of participants, and distribution of available resources to those in greatest economic or social need.

Through related objectives, we hope to reduce dependency and to promote opportunities to secure and maintain social and economic independence and self-sufficiency. Specifically, we intend to provide models which will assist States to improve conditions for maintaining vulnerable older people in their homes or the least restrictive setting, promote improvement of community health care for older persons, and promote opportunities for their employment both in the network and in the private sector.

The Administration on Aging guidance for the State Plans for the cycle beginning in FY 1984 urged States to work with area agencies to develop comprehensive and meaningful State policies to assure solid needs analyses--which could be instruments for targeting services since decisions about which groups or individuals are to receive services are made at the local level.

Every three years, State Agencies are required in the State plan to update their Intrastate Funding Formulas. The 1981 Plan Guidance recommended that, in the review of their current formulas, States ensure that they will in fact distribute funds to those in "greatest economic or social need" as reflected in the 1980 Census data.

I would like to emphasize, however, that we have a considerable amount of evidence that Title III funds are already being targeted to persons with greatest economic and social needs.

The Administration on Aging manages a Title III reporting system which includes annual estimates from the States on the number of needy persons being served under the program -- low income, minorities, persons 75 years of age and older, etc. AoA also supports the National Association of State Units on Aging/National Association of Area Agencies on Aging (NASUA/N4A) National Data Base on Aging. Latest data indicate that these sub-populations are being served in far greater proportions than the general aged population sixty years of age and older. These findings are almost identical to those of the recent longitudinal evaluation of the nutrition program by Kirschner Associates. Several highlights of findings are:

- although only 28% of the 65 plus United States population is 75 years or older, 40% of the participants in congregate meals are 75 plus and 59% of the participants in home-delivered meals are 75 plus;

- while approximately 14% of the U.S.population 60 plus are reported to be in poverty, the AAA's reported that 60% of the participants in congregate meals and 64% of the participants in home-delivered meals are "low-income";

- while only 26% of the 60 plus U.S. population were living alone in 1982, 53% of the congregate meals and 66% of the home-delivered participants were living alone;

- 12% of the U.S. population 60 plus is minority, while 16% of congregate meal and 22% of home-delivered meals participants are minorities;

- for users of transportation services, 38% were age 75+ and 59% were living alone, 62% were reported as low-income, and 26% were minorities;

- for users of homemaking services, 57% were age 75 plus, 66% were living alone, 59% were reported as low-come and 20% were minority.

Under our Title IV discretionary grant program, we have funded several research projects directly or indirectly relating to targeting of Title III services. The results of these efforts will assist us in comprehensive analysis of policy issues around targeting goals.

In 1980-1981, Community Research Applications, Inc. conducted a research study under an AoA grant on "Services to Minority Elderly." This study assessed the extent of area agency and service providers commitment to serving minority elderly, examined the effectiveness of various strategies for providing services to minority elderly, and assessed the use and non-use of services by older minority persons and the barriers to service use. "Minorities" are a major group of older persons with recognized social and economic needs. Therefore, the findings from this study which describe both the successes and deficiencies of area agencies' efforts to serve minority elderly, as well as the recommendations to increase minority participation in area agency staffing, advisory council composition, outreach strategies and subcontracts with service providers are relevant to discussions about targeting of services.

In 1981, the Administration on Aging funded another model project specifically on targeting. It focused on the Intrastate Funding Formula (IFF) as an approach to targeting services to older persons in greatest economic or social need. The final report suggests that the important approach to targeting through the intrastate funding formula is disclosure--the clear enunciation in the State Plan of the rationale used in arriving at it. Public disclosure of the underlying assumptions and administrative practices which define the IFF allows for wide variation and State-local innovation. Accommodating this thesis requires no new legislative base.

The Brandeis University Policy Center on Aging, under a Title IV grant, has recently developed an interesting and insightful conceptual framework for understanding the many ways in which targeting under Title III currently takes place at the Federal, State and local levels. This framework analyzes targeting along three dimensions: approaches to targeting; methods for operationalizing them; and levels of decision-making and implementation. The study also applies that framework to current targeting policies and issues for the purpose of generating and assessing new targeting policy options. I understand that

Dr. Robert Binstock, Director of the Brandeis Center, is here today to present this framework in detail to you.

I have described several approaches which the Office of Human Development Services and Administration on Aging have taken to investigate the issue of targeting. As I stated earlier, the Administration has consistently articulated a general policy of designing and implementing social programs in a manner that helps the truly needy. We recognize, as does Congress, that there are many different kinds of truly needy older Americans - those who have low-incomes; those who are disadvantaged by ethnic and cultural status; those who are at high risk of long-term disabling conditions and institutionalization; and those who are isolated from access to essential services.

We believe that a variety of needs within the older population can and are currently being targeted within the Older Americans Act. The legislation, and Federal regulations as presently structured, make it possible to target a variety of needs flexibly in the respective States and localities throughout the nation. To the extent that various States and localities would like to enhance their targeting efforts to meet high priority needs within their jurisdictions, we are prepared to work with them to take advantage of the many options available under the current legislation.

We do believe, however, that the issues of targeting should be considered very carefully before any major changes in the existing legislation are recommended. An advantage of the present legislation is its reflection of the fact that there are many different kinds of needs to be met--economic, ethnic and cultural, vulnerability to long term disability in institutions, lack of access to appropriate services--and that distribution of these needs varies throughout the country. The Older Americans Act has provided a strong framework for responding flexibly to State and local needs.

Practical possibilities are available to those States, area agencies, and service providers that are inclined to target Title III more sharply to the economically needy. These options could include:

- State adoption of IFF formulas weighing the distribution of Title III funds more heavily in relation to the intra-State distribution of poor older persons;

- State guidelines to AAA's and AAA guidelines to service providers emphasizing that implementation of the greatest economic and social need clause should be targeted on the economically needy;

- State establishment of set-aside funds from the current Title III allotment to establish programs and services especially useful to special groups of older persons; and

- State requirements and area agency designation of community focal points on the basis of specified geographical concentrations of poor and minority older persons.

These are all possibilities which could be undertaken without legislative change and at the discretion of, or to meet the needs of, individual State and area agencies. We at the Federal level stand ready to offer any necessary assistance.

Mr. Chairman, this concludes my prepared remarks. I have appreciated the opportunity to share information about some of our thoughts on service targeting with you, and I will be happy to respond to any questions which you or any other Subcommittee member may have.

QUESTIONS FOR SECRETARY HARDY FROM SENATOR CHARLES E. GRASSLEY Q-1

TARGETING TO ECONOMICALLY AND SOCIALLY NEEDY UNDER TITLE IV

QUESTION: Sections 422 and 423 of Title IV mention several groups of elderly which should receive special consideration. "Economically or socially most needy" elderly are not mentioned. Should this "economically or socially most needy" language be introduced into Title IV in such a way that applies to activities conducted under all sections of this Title?

Is there anything different about Title IV which would spare it the need to target?

ANSWER: Title IV funds are used to facilitate targeting provisions of the Act. Examples of some recent projects to support targeting are a research study on "Services to Minority Elderly," a model project focusing on the Intrastate Funding Formula as an approach to targeting, national minority organizations' examination of strategies of targeting, and model projects to develop management tools to improve targeting.

Title IV has historically been used to support activities which increase and broaden the knowledge and experience about the entire field of aging and the older population. It is not meant to provide specific services to individuals or groups, as Title III does. We believe that the development of a knowledge base is important for maintaining a program for older persons which is geared to the future as well as to the present. While it is both necessary and appropriate to target social services to those groups most in need of them, we believe that the future development of the entire program is best served by using Title IV to address a broad spectrum of issues which are important to the entire aging population.

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QUESTIONS FOR SECRETARY HARDY FROM SENATOR CHARLES E. GRASSLEY Q-2

TARGETING OTHER FEDERAL FUNDING

QUESTION: The Older Americans Act network uses funds from other Federal programs. What type of coordination do we find in implementation of the Act for use of other Federal monies in targeting?

ANSWER: It is the intent of the program to encourage State and area agencies to leverage additional resources from other Federal, State and local sources to augment the Older Americans Act resources. In Fiscal Year 1982, State and area agencies augmented Title III resources by $580 million. Twenty-nine percent of that total was from local resources, twenty-eight percent was from State resources and forty-three percent was from other Federal resources, resulting in more than a billion dollars available for Older Americans Act objectives. However, the Older Americans Act does not require targeting of other Federal funds for its aging programs.

Further, the Older Americans Act, as amended specifies that funds be targeted to those elderly who have the greatest social or economic need. State agencies employ various mechanisms to accomplish this. For example, some States stipulate client/service priorities as written policies; identify priorities of the socially and economically needy in State and area plans; employ special factors in the intrastate funding formula; and utilize various other assurances for targeting resources.

BEST COPY

QUESTIONS FOR SECRETARY HARDY FROM SENATOR CHARLES E. GRASSLEY Q-3

TARGETING BY OTHER FEDERAL PROGRAMS AND OLDER AMERICANS ACT

QUESTION: Could it be argued that other Federal programs effectively target the needy elderly to a degree which makes the necessity or urgency for doing so with Older Americans Act funds less intense?

ANSWER: Other Federal programs do target the needy elderly but their conditions, particularly through the use of means tests, are perceived by many to stigmatize participants as welfare clients. On the other hand, Title III, or any one program, cannot begin to meet all the needs of the elderly. There is a great diversity of economic and social need within the older population. Title III funds are already being targeted to persons of greatest economic or social needs. Latest data indicate that these sub-populations are being served in greater proportions than the general aged population sixty years of age and over. We believe that a variety of needs within the older population can and are currently being targeted within the Older Americans Act. Distribution of economic and social needs varies throughout the country, and the Older Americans Act has provided a strong framework for responding flexibly to State and local needs. We believe that this overall approach should continue.

BEST COP

QUESTIONS FOR SECRETARY HARDY FROM SENATOR CHARLES E. GRASSLEY Q-4

TITLE III LANGUAGE ON TARGET GROUPS

QUESTION: From the way the Act is written, it is not completely clear that the "economically or socially most needy" are the groups which should receive highest targeting priority. The introductory section to Title III Section 301, says it is the purpose of the Title to develop, and see delivered, services to individuals capable of self-care, older individuals facing barriers to economic and personal independence, and to the vulnerable elderly.

How does this language square with the later language of Title III to give preference in services to those elderly with the most economic or social need?

ANSWER: Section 301 prescribes service goals for Title III programs and in doing so, describes groups of older people who would logically or obviously benefit from responsiveness to those goals. Sections 305 and 306 call for targeting of services responding to those goals to older persons in greatest economic or social need. The language in sections 305 and 306 simply narrows the groups and categories of individuals to be given priority to receive service. The ideas are not contradictory. The Older Americans Act has always specified objectives for older persons, while necessarily and appropriately calling for provision of services to those individuals who need them most.

QUESTIONS FOR SECRETARY HARDY FROM SENATOR CHARLES E. GRASSLEY Q-5

COMMON SERVICE DEFINITIONS

QUESTION: According to the 1981 Federal Council on Aging Report, Toward More Effective Implementation of the Older Americans Act, there appear to have been serious difficulties in accounting for how much service is provided to whom, at least in part because definitions of units of service and units of measure used across the network differ.

Has any progress been made in developing common units of service and common units of measure for the network?

ANSWER: One year prior to the publication of the 1981 Federal Council on Aging Report, Toward More Effective Implementation of the Older Americans Act, the Administration on Aging provided funding to the National Association of State Units on Aging (NASUA) and the National Association of Area Agencies on Aging (N4A) to develop a taxonomy--a common service nomenclature for programs and services funded under the Older Americans Act. In May, 1981, NASUA and N4A produced for the network "Uniform Descriptions of Services for the Aging", a tool for State and Area Agencies, and others to describe services in a concise, unambiguous way. This publication allows comparisons to be made across agency and State lines, facilitating communications at the local, State, and national levels. The standardization of definitions of units of services has enabled the network to accurately identify programs and services funded under the Older Americans Act in such documents as grants and contracts, in Area Agency Plans, and so forth. As of August, 1982, NASUA and N4A reported that approximately 76% of its Area Agencies sampled were using the "uniform descriptions" in whole or in part.

The Administration on Aging, in order to expand and improve upon the NASUA/N4A taxonomy of common definitions of units of service, introduced to the network in March, 1982, an award agreement mechanism for use between Area Agencies on Aging and service providers called "performance-based payment provisions". This method of reimbursement is one in which the Area Agency on Aging defines units of service as identified in the the NASUA/N4A taxonomy, and attaches a fixed price to those services. The result of this system is that service providers are only reimbursed by the Area Agency for services actually delivered to clients, as opposed to reimbursement based on total budgeted costs. AoA forwarded to the network in May, 1982, a model "performance-based contracting system" and encouraged network use of the system during Fiscal Years 1982 and 1983. Currently, 26 State Units on Aging are promoting performance-based payment provisions and an additional 11 States will encourage network use of the system during Fiscal Year 1984. The combination of standardized definitions of services, coupled with fixed prices for those services, will result in an increase in the number of services delivered to clients without an increase in federal funding.

QUESTIONS FOR SECRETARY HARDY FROM SENATOR CHARLES E. GRASSLEY

Q-6

CONTRIBUTIONS FROM PARTICIPANTS

QUESTION: The Administration has adopted a policy of encouraging contributions from program participants. What effect has this had on participation of the most needy in the various programs sponsored under the Act?

ANSWER: State efforts to increase contributions did not result in a reduction of the percentage of low-income participants in meals programs. In fact, the percentage of low-income participants slightly increased during the period of the State campaigns from 60% to 61% for the congregate nutrition program, and from 66% to 67% for the home-delivered meals program.

In Fiscal Year 1982, the Administration on Aging launched a national initiative aimed at increasing program income contributions with an emphasis on nutrition programs. The initiative was introduced to State and Area Agencies in an effort to help them position themselves to meet increased demands for services at a time when economic recovery depended upon restraint in Federal expenditures.

Expenditures of program income contributions totalled approximately $79 million in Fiscal Year 1981. The Administration on Aging established a target to increase such expenditures to reach $92 million in Fiscal Year 1982. The actual amount attained in that Fiscal Year was $100.8 million. The goal of increasing program income expenditures for Fiscal Year 1983 was set at $120 million, and preliminary figures being collected by the Administration on Aging indicate that the goal was met.

QUESTIONS FOR SECRETARY HARDY FROM SENATOR CHARLES E. GRASSLEY

Q-7

AGE ELIGIBILITY - OLDER AMERICAN ACT

QUESTION:	With the exception of the nutrition program and Title V, there does not appear to be an age of eligibility specified for any of the Older Americans Act programs. Nor are the terms older individual or older person defined. Do we need to express a clearer age preference for other services in the Act and, if so, what should it be?
ANSWER:	We do not believe that there is any necessity for further age clarification in the Older Amerians Act itself. The interstate funding formula is based on number of persons 60 years of age and older in the State. Program experience has demonstrated that this formula is as equitable as any and it has gained acceptance in the aging network. A change in the formula by, for example, raising the eligibility age, would change State-by-State distribution of funds, but not the aggregate picture. Such changes at the Federal level would not do a better job of targeting resources than the present formula. State flexibility is already provided in the intra-State funding formula, and we believe that State discretion on targeting of resources to specific areas of need in terms of age, location, and economic or social status is an important key to implementing the Act effectively.

QUESTIONS FOR SECRETARY HARDY FROM SENATOR CHARLES E. GRASSLEY Q-8

DATA ON SOCIALLY AND ECONOMICALLY NEEDY PARTICIPANTS

QUESTION: Is it correct that nutrition and supportive services delivery systems funded under Title III currently report to AoA only on the low income and minority participants? If so, how do we know how many individuals participate who are from other groups which might be considered under the term economically and socially most needy; for example, those who are physically or mentally disabled?

Do you have any plans to improve collection of data, through the Older Americans Act network's routine reporting systems, on other groups?

ANSWER: To answer the last question, we do not collect information only on low income and minority participants. The reporting document for Title III, the Program Performance Report, collects participant data on total participants, racial/ethnic breakdown, socially needy and economically needy. The instructions for providing data define economically needy as those individuals with income levels at or below the poverty threshold. The same instructions define socially needy as those elderly with needs associated with non-economic factors. For example, language barriers, mental and physical disabilities or other factors limiting one's ability to live independently.

In 1980, the Administration on Aging entered into a cooperative agreement with two national organizations, the National Association of State Units on Aging (NASUA) and the National Association of Area Agencies on Aging (N-4A) to develop a National Data Base on Aging. This data base is a voluntary reporting system which collects data through annual samples of area agencies over a three-year period. The client information in the data base consists of characteristics of the elderly who most likely fit the definitions of the greatest socially and economically needy. The categories are participants who are 75 years and older, low income, those living alone and those who are minority. We can also cross-reference additional information in the data base which depicts participation as it relates to institutional care, health and various other program areas that indicate services to the greatest economically and socially needy.

Since the data base has reduced the recordkeeping and reporting burden while providing more uniform information, we feel this represents remarkable improvement of data on aging programs. If it becomes necessary to collect additional data not currently available, we would consider securing this through special studies.

QUESTIONS FOR SECRETARY HARDY FROM SENATOR CHARLES E. GRASSLEY Q-9

USE OF COMPUTERS

QUESTION: I am aware that projects have been funded through the OHDS discretionary grants program to study the feasibility of computer use throughout the Older Americans Act network.

What progress has been made in actually introducing computers into network administration?

ANSWER: The following very briefly summarizes the computer information systems initiatives supporting Older Americans Act programs.

National Initiatives

- National Data Base on Aging: A computerized bank of information, including services, clients, costs, staffing, budgets and policy initiatives, collected annually from all State Units and a revolving, one-third sample of Area Agencies on Aging.
- Small Computer Systems Development Project: Replication in twenty-eight Area Agencies on Aging across five states of a computerized client tracking and case management system.
- Management Indicators System: A computer software package which synthesizes information about state and local programs for the aging as concise performance reports, including the major problems or exceptions toward which top management should direct its attention.
- Implementation of Uniform Service Descriptions In Computer Information Systems (Taxonomy): To effect national comparability of information as part of computer systems development initiatives in State and Area Agency on Aging programs.

QUESTIONS FOR SECRETARY HARDY FROM SENATOR CHARLES E. GRASSLEY

State and Local Initiatives

Over the past five years the Administration on Aging has funded computer information systems development efforts in several states. Collectively these projects have made a valuable contribution to the state-of-the-art in this technological arena. Individually they provide program managers with a valuable information resource for decision-making. The following is a list of projects and the major focus of concern:

- Birmingham, Alabama Area Agency on Aging - Client tracking and case management system
- Connecticut State Unit On Aging - State level client tracking and case management system
- Essex County, New Jersey Area Agency on Aging - Client tracking and case management system
- Florida State Unit on Aging - Service unit costing system
- Jamaica - Queens Services Program for Older Adults - client tracking and case management system
- New Jersey State Unit on Aging - Summary computer information system
- New York State Unit on Aging - Unit cost and sampling system
- Ohio State Unit on Aging - An integrated State and Area Agency computerized system
- Texas State Unit on Aging - A multi-user micro-computer information system

QUESTIONS FOR SECRETARY HARDY FROM SENATOR CHARLES E. GRASSLEY

Q-10

PARTICIPATION OF MINORITY CONTRACTORS

QUESTION:	What are you doing to insure participation of minority contractors in Older Americans Act programs?
ANSWER:	Grantees and subgrantees are required by government-wide regulations to provide opportunities for minority contractors to participate in Older Americans Act programs. For example, procurement standards require that affirmative steps must be taken to assure that small and minority businesses are utilized when possible as sources of supplies, equipment, construction and services. The regulations provide specific affirmative steps to be taken to meet the requirement. Another example, related to audit requirements, is the provision that small business concerns and business concerns owned and controlled by socially and economically disadvantaged individuals shall have the maximum practicable opportunity to participate in the performance of contracts awarded with Federal funds. Again, the regulations provide for specific affirmative action to further this goal. Assurance that these regulations are implemented is provided through assessments and audits at all grantee and subgrantee levels of the Older Americans Act programs.

QUESTIONS FOR SECRETARY HARDY FROM SENATOR CHARLES E. GRASSLEY

Q-11

NATIONAL POLICY CENTER ON INCOME REPORT FINDINGS

QUESTION: Will you review the results of the project on which Dr. Binstock reported at the hearing for its potential relevance for changes in the legislation and in program regulations and policy guidelines?

If so, when can we expect to know the conclusions of your review?

ANSWER: The Administration on Aging will be reviewing the results and reports of the National Policy Center on Income (which were the subject of Dr. Binstock's testimony) when they are completed in early 1984. Any appropriate recommendations will be considered either for legislative or policy guidance implications.

Senator GRASSLEY. Thank you, Ms. Hardy.

We on the Hill have had quite a bit to do with Mr. Rust because of his time here, as well, and I hope you like your new responsibilities. I am sure you do not find them quite as interesting as you would things up here on the Hill—would you?

Mr. RUST. No. [Laughter.]

Senator GRASSLEY. I had several questions, so I hope you will bear with me, and some of them, I may even say, I may even want to encourage you to answer in writing, because they may indicate some things that you are not prepared to respond to now. And there is even some leadtime on that, because as I indicated, we would like to move toward the reauthorization of this early next year, and get it out of the way so it is not caught up in the politics of Presidential elections, or maybe even not taken up because of the way Congress sometimes moves, as we are finding right now as we are about ready to adjourn for the year.

My first question to you, Ms. Hardy, concerns the basic thrust of the Older Americans Act with respect to the targeting issue. By that, I mean, does the administration agree that the Older Americans Act should remain open to all older persons while at the same time giving preferred status to certain groups of older people?

Ms. HARDY. Yes, Mr. Chairman, we do agree with that.

Senator GRASSLEY. OK. Now, this next question may be one that at this time, you may not be in a position to answer, but I want to ask it anyway, and in the event that you cannot answer it, I would like to know whether you would be willing to consider it and report back to us, perhaps later in the year, before we finish reauthorization.

Should the act, or more specifically, should the language of the act which requires preferred treatment for certain groups, be featured more prominently in the act than it is now? For instance, should we include language expressing preference for certain groups in the declarations of objectives in title I of the act, or should we feature targeting language more prominently as parts of titles II, III, and IV?

Ms. **Hardy**. We would like to consider that in more detail. We are having conversations in the Department as to whether we might want to look at some of the possibilities of shifting some of that language.

Senator **Grassley**. Well, I would like, naturally, to have your point of view on that specific question, but let me suggest to you that I think Congress has a greater responsibility now, since the Chadha case and the revoking of the legislative veto, even though it is not applicable to this particular statute, but generally speaking, I think we have the responsibility to be more clear in what we are delegating and the intent, and I think maybe we have to review the Older Americans Act from that standpoint as well.

So I would appreciate, then, whenever you can, but hopefully early after the holidays, if you could get back to us on that point.

My next point is in regard to a distinction which can be made between the general advocacy programs of the act and the nutrition and social services programs of the act. Should the general advocacy functions carried out by the State and area agencies be focused on all elderly, rather than being targeted?

Ms. **Hardy**. I think most of our—what shall I say—our "star" area agencies on aging are focusing their efforts on all of the elderly in their service area, and at the same time, they are targeting many of their efforts on the same persons that they are more likely to serve, more likely to see, at perhaps a senior center or who utilize their transportation services or more of their services. So they serve, I believe, both roles.

Senator **Grassley**. OK. Has the administration taken a position on the Federal Council on Aging's reauthorization proposal on targeting?

Ms. **Hardy**. The Federal Council on Aging has not formally submitted their proposals yet. We have had informal discussions of the draft, and it is my understanding that they are holding hearings in San Francisco next week at the Western Gerontological Society. I expect that we will all be receiving their formal recommendations after that time.

Senator **Grassley**. I understand the necessity of waiting, but when might we expect to know the position of the Department on that?

Ms. **Hardy**. Of the entire Older Americans Act, or the Federal Council on Aging?

Senator **Grassley**. The Federal Council on Aging's reauthorization proposals on targeting—those are the ones that you spoke about the hearings on in San Francisco.

Ms. **Hardy**. I would expect that they would probably have their recommendations in to the Department before Christmas, and they could be up here in the early part of the New Year.

Senator **Grassley**. OK. That sounds good.

A key finding of the 1981 Federal Council on Aging report—and this report was entitled, "Toward More Effective Implementation of the Older Americans Act"—it concluded—and let me quote—and I would like to have you comment on this quote—"Data produced by the existing reporting systems are not sufficient to measure the impact of Older Americans Act programs, either for the total aged populations or for subsets of that population."

Ms. **Hardy**. As an administrator involved with all of the human services programs, I have been concerned about data and trying to rely on good information so we can make good policy judgments. I think that the Federal Council finding may have been accurate in 1981. I do not think it is the case at the moment. The Administration on Aging has completed, through a contractor, a massive study of the persons who participate in the congregate and home-delivered meals programs. We also have the NASUA/N4A data base, which we have been working very closely on, and I think we do have good data as to what is going on in the field.

Senator **Grassley**. I am not sure from the entire report if that was meant to be a criticism by the Federal Council on Aging, but if it is meant to be a criticism, then you feel that criticism has been met, and the necessary administrative decisions to provide for more accurate reporting are in place, and so in the future, we will have better data?

Ms. **Hardy**. Yes, Mr. Chairman.

Senator **Grassley**. I would like to turn to language in title IV. That language at present stipulates that

> Demonstration projects shall give special consideration to projects designed to help meet the needs of various groups of older people. These include those in need of mental health services, low-income, minorities, Indians, limited-English-speaking individuals, and the homebound, blind, and disabled elderly.

My first question in regard to title IV: Can you give figures for the percentage of title IV moneys which went to demonstration projects since 1981?

Ms. **Hardy**. I do not have those specific figures at the moment. We can supply those for the record. We have funded significant numbers of demonstration projects with title IV dollars.

[Information supplied for the record follows:]

Question. Can you give figures for the percentage of Title IV moneys which went to demonstration projects since 1981?

Answer. We have funded significant numbers of demonstration projects with Title IV dollars. The percents of Title IV funds used for demonstration projects since fiscal year 1981 are as follows:

	Percent
Fiscal year 1981	47.8
Fiscal year 1982	40.7
Fiscal year 1983	55.4

Senator **Grassley**. OK, then, I would presume that information about the percentage of money that went to projects focused on the needs of these groups would have to be submitted in writing as well?

Ms. **Hardy**. Yes; we do fund four minority organizations; part of their efforts are to address targeting and strategies for targeting. We have funded a number of studies, one that I refer to in my remarks, that are research-oriented, that give us some information as to how we can better look at targeting on certain groups. I do not have the numbers, the total dollars, in front of me. I can supply that to you.

Senator **Grassley**. OK.

[Information supplied for the record follows:]

Question. What percentage of Title IV funds since 1981 went to projects focused on the needs of various groups of older persons: those in need of mental health services, low-income, minorities, Indians, limited English speaking individuals, and the homebound, blind, and disabled.

Answer. The percentages of Title IV funds used since 1981 for various special groups of older persons are as follows:

[In percent]

	Fiscal year		
	1981	1982	1983
Mental health	0.5	1.8	0.5
Low-income	0.1	1.6	0.5
Minorities	9.3	12.4	12.8
Indians	2.2	2.1	2.7
Limited English speaking	1.0	2.7	2.6
Home-bound, blind, and disabled	16.0	16.1	25.8

I would like to note that several grants are responsive to the needs and concerns of two or more of these groups.

Senator **GRASSLEY**. Maybe my last question to you is so specific as well that it would need also a written response.

What percentages of your consolidated discretionary program moneys like title IV, Older Americans Act money, has gone to rural AAA's for model projects devoted to the special needs of the rural elderly?

Ms. **HARDY**. I would have to supply that for you, Mr. Chairman.

Senator **GRASSLEY**. OK.

[Information supplied for the record follows:]

Question. What percentages of your consolidated discretionary program moneys like Title IV, Older Americans Act money, have gone to rural AAAs for model projects devoted to the special needs of the rural elderly?

Answer. The percentage of Title IV model project funds awarded to Area Agencies on Aging is rather modest, ranging from 3-7 percent during this period. A relatively large percentage of such funds are awarded to Area Agencies on Aging serving rural areas. Of the model projects funds awarded to area agencies, funds awarded to area agencies for projects devoted to the special needs of the rural elderly were as follows:

	Percent
Fiscal year 1981	54
Fiscal year 1982	76
Fiscal year 1983	31

In addition, other title IV funds are used for projects focused on the rural elderly, although grant recipients are not necessarily rural area agencies on aging.

For example, in fiscal year 1983 AoA funded a project through a community college to develop training materials for home-care providers designed to bridge the service gap between institutionalization and family care for rural minority elderly.

Senator **GRASSLEY**. You have done well in your responses and also, I think, in preparing for some of the concerns that have developed over the last 1 or 2 years. I want to compliment you on that, and say that I had more questions, but you did answer those in your testimony.

I want to thank you very much, and I look forward to our continued working relationship with you and your assistants.

Thank you very much.

Ms. **HARDY**. Thank you, Mr. Chairman.

Senator **Grassley**. Our second witness is Dr. Robert Binstock. He is director of the Policy Center on Aging, and the Stulberg Professor of Law and Politics at Brandeis University.

Dr. Binstock is going to talk to us about the project on targeting he has been doing at the policy center. He has talked to some other groups about the project, and the reports that have reached us about it say that it is most interesting and very pertinent. I want to thank you for your efforts in this area, Dr. Binstock.

You have a reputation as a person very much interested in aging and in aging matters, and we appreciate your diligence and your willingness to stick to the points that you believe in. We welcome you and ask you to proceed. And we did promise you more time, so you proceed according to our prearranged schedule.

STATEMENT OF ROBERT H. BINSTOCK, PH. D., DIRECTOR, THE POLICY CENTER ON AGING, AND THE LOUIS STULBERG PROFESSOR OF LAW AND POLITICS, BRANDEIS UNIVERSITY

Dr. **Binstock**. Thank you very much, Senator. I hope my remarks will not take too long, and of course, I will not read my prepared statement into the record.

I am honored to be invited to be a witness before you, since I do not represent any group, organized or unorganized, or any particular administrative entity.

My testimony this morning is focused on options under title III only, and it can be summarized in three points.

The first point is that the current legislation does make it possible for title III to be targeted to a variety of economic and social needs where and when they are perceived to exist.

The second point is that to the extent that you and your colleagues, the administration, and State and local governments want to enhance targeting to any particular or several sets of needs, there are a number of practicable options for doing so, which I will deal with shortly.

And the third point is that those options do not require drastic changes in the current legislation.

Most of my testimony will be devoted to presenting briefly a series of policy options at the Federal and at the State and local levels, to meet economic needs and to meet social needs. I will outline each set of options with respect to three considerations: Their targeting effectiveness, their political viability, and their administrative ease or difficulty, and come up with an assessment combining these three characteristics.

Before I present these options, let me just briefly recall for us the fundamental issues to which you and the Assistant Secretary referred a few moments ago.

We know that in the broadest discussions of policies toward older persons, there has been debate about age versus need as appropriate criteria for targeting resources. And title III is, of course, in some sense targeted in that it is a categorical grant-in-aid for older persons. But the most basic issues, as we know, are not resolved. We have not even resolved the issue of: How old must an older person be to be a client in the programs? That is about as basic as you can get.

And of course, as you pointed out, there is great disagreement over three fundamental issues: Whether or not to target; some targets versus other targets; and whether the appropriate locus of decisionmaking is at the Federal level or should be a matter of State and local autonomy, or how these responsibilities should be mixed.

Now, I am not going to try to resolve these issues in my statement. What I will have to say is designed to reflect the fact that these disagreements exist and try to be practicable within the context of them.

Although I am going to systematically review a series of legislative options, I think perhaps it would be worthwhile for me to say a word or two about some of the major legislative proposals that have been discussed, and express my viewpoint that they are probably ill-advised.

As the Assistant Secretary pointed out—and I happen to agree with her on this—the overriding virtue of the present legislation is that it reflects two fundamental facts. First, there are many different kinds of truly needy older persons in the country. Second, the structure that has been set up by law, and the way it is carried out, is capable of flexibly meeting those needs when and where they exist.

Some people have suggested that we ought to resolve this debate on age versus need by focusing heavily on the low-income elderly. Some have even suggested there ought to be a means test under title III. In my view, this approach would have a number of deficiencies.

One reason is that a mean test would exclude from services a number of people who do not precisely fit the criteria that would be operationalized, wherever one drew the line for the test. And yet, such persons may need a great deal of help.

Second, a means test would involve extraordinarily costly and burdensome administrative chores, which I do not think the State and area agencies would be prepared to undertake without a great increase in authorized and appropriated funds.

Third, there is the problem of stigmatization of people who participate in the means-tested programs.

And fourth, I think a means test might erode some of the popular support for title III.

Senator GRASSLEY. Let me comment at this point. Really, I do not get a lot of criticism out in my State about the fact that it is not means tested, or that people who could afford to pay or should not be participating are not paying more or should be denied participation. Once in a while, it comes up, and I think it is probably a personal matter that somebody has toward somebody else, than a matter of whether or not they thought about it as being good policy or not, because I think that if it were a basic issue that people were really upset about—and maybe we should not even be considering it from that end; maybe we ought to be just considering it as a question of good policy or not and our resources—but I think that, at least from the grassroots, if it were a big issue, we would hear constant criticism.

Dr. BINSTOCK. I would agree with you very much, Senator. I do not think that the people in general are upset about the fact that the Older Americans Act is not restricted at all. I think some other interests have proposed a means test as a good policy measure.

Senator **Grassley**. I think we ought to be cautious as we go on into the future, though, that we do not do things that would lead it to that sort of criticism, so that somehow, we would get the same criticism against this program that we might get against some other needs-tested programs.

Dr. **Binstock**. Right.

Another major set of options that people have discussed involves changing the basis that is used for allocating funds to the States through the title III formula. As we know, that allocation is currently based on the number of people in the State 60 years of age and older, as a proportion of the national total.

Now, my examination of proposals for changes in this formula suggests that most such changes would not do a better job of targeting to any one need than is done by the present formula, and even in the few instances where one need might be targeted better by changing that formula, resources would be targeted away from other needs.

For example, people have tried to mediate the age versus need debate by saying, "Well, suppose we took 75 years of age and older as the basis for allocating the funds? That way, we can maintain the sense that this is the universal program, but by lifting the age to 75 we are using a good proxy for the incidence of a great many of the social and economic needs that we are concerned with, so we are targeting in a better sense." That may be true, in theory. In reality, though, if you based the formula based on an older age, whether 75, 70, or 65, you would not get a distribution of funds that was anymore in harmony with the distribution of needs than you do under the present formula. You would have some changes State by State, but overall, you would not be making an improvement in terms of targeting.

One of the few changes in the formula that would make a difference would be to use low-income as a base—in other words, the number of low-income older persons, in a State and what proportion that number is of all low-income persons, nationally. If that were done, we would certainly see a much closer distribution of resources in relation to the distribution of economically needy older persons.

The problem with this approach is that it would bring about a drastic change in how much money one State is getting and another State is getting. You would be breaking up an 18-year pattern of legislative accommodation on how these resources are distributed, and of course, you would be targeting away from other needs if they were of concern to you.

Conceivably, Congress might wish to undertake a hold-harmless approach and say: "If we wanted to have a more accurate distribution in relation to economically needy older persons but we did not want to take any money away from any of the States, and we added on enough to achieve this new distribution, what would it cost?"

As far as I can estimate, Senator, the answer is that it would cost an additional $700 million annually, or a 130-percent increase in the annual appropriation under title III.

Now, despite the difficulties involved in some of these drastic changes that I have just discussed, there are many other effective options at the Federal level and at the State and local levels for targeting title III. My associates and I have been grappling with the issues of targeting under title III as part of a cooperative agreement with AOA through which we are funded as one of the so-called national policy study centers, and I will be discussing options that we have examined. But I wish to make it clear that the views I have, and the views that I will be expressing this morning, are not attributable to AOA, or in fact, to anyone else at all. Probably, my colleagues would not even subscribe to all of them.

With your indulgence, I have set up—or, your staff has helped me to set up—an arrangement for a visual display here, just to briefly acquaint you with how we tried to deal with the complexities of targeting. Defining what targeting is all about to begin with, and sorting it out, seems to be rather confusing. That was the first conclusion we came to. People seem to be mixing up whether they were talking about eligibility or resources, and where, and how, and when.

So we stepped back, and essentially, we said there are three dimensions to targeting. I do not know if you can see this visual display from there, Senator. And I do not know if it is worth your coming over here to see it. But in any event, we will give it a try. I am not one of the great graphic artists of our day.

Basically, we said, "Look, let's sort this out." There are two basic approaches to targeting. (See table 1.)* One is eligibility, and the other is allocation. And both of those approaches can be operationalized in three different ways: (1) on an individual basis—an individual is eligible or not eligible, can be allocated a meal, or not; (2) on the basis of aggregate characteristics; and (3) on the basis of environmental characteristics, such as in rural areas. And there are five levels of decisionmaking and implementation that can affect what goes on with respect to targeting. If somebody walks in the door of a service-providing agency and they are treated a certain way, that treatment is effectively going to allocate, or render eligible or ineligible, regardless of provisions in congressional legislation, Federal regulation, State agency, or area agency decisions.

So we said, "Is this theory, or is it practice?" And we looked back at the Older Americans Act and found, as you can see in this next illustration that in fact, targeting is going on right now in all 30 possible combinations of the two approaches, the three methods of operationalization, and the five levels of decisionmaking and implementation. Our abstract categorization is borne out in reality. (See table 2.) So we went on in an encouraged fashion from there, and we said, "There are lots of ways to generate policy options—30 possible combinations of approaches. And briefly, we looked at an overview of Federal options, as shown in this visual. (See figure 1.) For example, we applied the framework to targeting to the economically needy, which I will deal with first. And as you can see, we have as options require means tests, allow means tests, strengthen language for service preference, and so on. We rated these, you will note, in terms of political viability, targeting effectiveness, and administrative ease. I will get back to these in a second. We did the same thing at the State and local level, recognizing that there were plenty of options available at those levels. (See figure 2.)

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* Tables and figures referred to appear throughout Dr. Binstock's prepared testimony.

Now, first let me turn to a display of Federal options not worthy of consideration, as we judged them, and this follows on what I said earlier. (See figures 10–13.)

You will see that in each case, the left-hand bar refers to political viability, the black one in the center to targeting effectiveness, and the one on the right to administrative ease. This is not a scientific rating. It provides a basis, a starting basis, for discussion.

You will notice we considered require means test. This is an excellent targeting option in theory. Administratively, it ranges towards poor. Politically, we just write it off.

"Strengthen language for service preference"—meaning, for instance, that you could take social out of the economic or social needs clause, is another option. We rated that as weak on targeting effectiveness, because it does not matter what the language says with respect to preference. The question is how that statement gets implemented. The language is symbolic. People may fight big battles over what the language is going to be. We figured they would fight big battles over charging this particular clause and consequently we rated this option as less than moderate politically. We saw no problem administratively that would flow from such a charge in the language.

Amending the title III formula on the basis of economic need, as you can see, we thought was an excellent option in terms of targeting effectiveness and administrative issues, but poor politically. Requiring each State, in its intrastate funding formula, to weight economic need more heavily was again an option we found to be excellent in principle and not difficult administratively; but we felt that there would be a big political struggle if it were proposed as a Federal option. That is how we laid that out.

To get to the more positive side of this analysis, we also grouped options in terms of "High potential" (see figures 3–5), "Worth Consideration" (see figures 6–8), and "Marginal." In this display of options with "high potential" please note the one up in the upper left-hand corner, "identifying clients through nontitle III programs." By that, what we meant, briefly, is that there are in existence some low-income-tested programs for energy assistance, housing, medicaid, and so on. Interagency agreements made by AOA within HHS or across departments could very well open up a pathway for those area and State agencies that wanted to do some outreach, to make sure that they were targeting more effectively on low-income clients, but do it without undertaking a means test or without additional stigmatizing of anyone. After all, the clients are already in those means-tested programs. So that option looks fairly decent.

Mandating programs and specialized services that are of particular use to the poor out of the present title III allotments would be another option. And of course, creating a set-aside fund for the poor is a viable approach and indeed, we rated it moderate politically. If that is what Congress wants to do, that probably would not be too tough, to create a set-aside beyond the current allocation for those States and/or those areas that had a specified number or concentration of poor older persons. It could be implemented relatively easily.

Briefly, then, without discussing these options in further detail, let us look at the options labelled worth consideration.

We felt that the option of allowing a means test would be worth considering. This would involve elimination of the Federal regulation that prohibits means test.

Requiring minimum allotments of services is also a possibility for poor people, as well as requiring designations of community focal points in each PSA [planning and service area], if they have certain concentrations or numbers of poor persons. The latter is a viable legislative option that probably would not be fought too much by anyone, and would be fairly decent as a targeting measure.

A marginal option, we felt (see figure 9), was requiring fee schedules for services instead of just allowing them. We figured this could be done politically, but we also feel it is nickel-and-diming people to death as far as targeting is concerned. It does not redistribute that much in the way of resources, and it is administratively difficult, as far as we can make out.

Now, at the State and local level, you can see in the display that there are a lot of options designated as having high potential. (See figures 14–18.) And you will notice we rated all of these as moderate politically, because we are basically saying, "Look, if the State wants to do it, they can do it, if the leadership says 'Yes'." If they do not want to, they will not. But those States that want to, for instance, can heavily weight economic need in their intrastate funding formulas. The State units can issue guidelines regarding economic need down through their systems. The area agencies can do that; this is done now in some States. It can be enhanced. The States can create set-aside funds for the planning and service areas that have concentrations of poor older persons. They can require the designation of community focal points in certain communities which are heavily populated by the poor elderly, and the AAA's can do that themselves.

So all of these are very viable, where State and localities want to do them.

We followed through on some other State and local options that are worth consideration, and I will not bore you by running through them all at this time. (See figures 20–23.) You can review them in more detail. There was only one State or local option that we felt was marginal (see figure 24), again, the fee schedules for services, because we feel that this is really nickel-and-diming people to death to no good end.

Now, when we move to targeting goals involving social needs—and this is where I will briefly conclude—many of the things stay the same way as on targeting to the economically needy except that as a general observation, State and local options for targeting social needs seem to be more viable than Federal options for doing it. And the reason for this, as I would express it, is that attempts to target social needs nationally would involve even greater controversy, variability of interests, and sensitivities of constituencies distributed throughout the Nation, than does targeting to economic need. It would depend a great deal upon how you even define the social needs you want to target through a Federal option. So consequently, I would start in by saying the same principle at the State and local level that we applied to targeting the economically needy is just as viable for the socially needy. It is a question of State and local political will. You can see that we have a great many State and local options in the category high potential.

This is important to note. Those folks who say, "Well, the National Government should do X and Y," are in a good position to go to their Governors and their mayors and say, "Hey, this Federal formula targets resources away from our kind of folks—whether they are poor folks, or people who are disadvantaged by ethnic or cultural status—that means it is all the more incumbent on us to take measures to retarget things back in a way that fits our needs." For instance, this may be a question of a special effort to emphasize rural needs, or a special effort to emphasize urban needs.

Similarly, the next visual shows that there are three options we regarded as worth consideration at the State and local level for social needs.

We turn now to the Federal options, and you will see again I suggest that not worth consideration for social needs is the option of strengthening preference language. I rated this even lower politically than strengthening the economic preference language, and the same with the options of requiring more social need in the intrastate funding formulas, and in title III, and so on.

I do not think you want me to run through these with any extended discussion. You can look at the visuals. On the option of mandating programs and services, and creating set-asides we put big political question marks, because political viability depends upon which social needs are expressed, how controversial they would be or how bland, how targeted those social needs were, and how they were particularly described. So we left political viability open with a question mark.

And finally, at the Federal level, options requiring minimum allotments of services for this social need or that social need, and requiring community focal point designation, again depend on how you want to express social need.

Since I do not want to take up the entire hearing, I will not run through a discussion of all those social needs.

Let me just say in conclusion, as you are stepping back up front, Senator, that there is one point I would like to emphasize. It should be noted that efforts to target to a variety of goals within a single jurisdiction, whether it is National, State or local in scope, may cancel each other out. The options I have presented for targeting to the economically needy are cumulative in impact—that is, the more of them that are done, the more the economically needy would be targeted. The same is true for the socially needy, assuming we work consistently with the same definition of socially needy.

But in some contexts, measures to target to one group will target away from other groups. So what I want to emphasize is that the options I have presented here will not, in any event, resolve the political issue that has to be confronted at any single level, which is: Which target is going to get priority? There is no way we could target all these things, because our efforts will cancel each other out if they are targeted for a variety of social goods simultaneously.

Thank you.

Senator **GRASSLEY**. Thank you very much.

[The prepared statement of Mr. Binstock and responses to additional questions of Senator Grassley follow:]

TARGETING SCARCE RESOURCES
UNDER THE OLDER AMERICANS ACT

A Hearing before the

SUBCOMMITTEE ON AGING,
COMMITTEE ON LABOR AND HUMAN RESOURCES,
U.S. SENATE

November 15, 1983

Honorable Charles E. Grassley, presiding

Testimony submitted by: Robert H. Binstock, Ph.D.
Director, The Policy Center on
Aging; Stulberg Professor of
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Mr. Chairman, and members of the Subcommittee: My name is Robert H. Binstock. I am Director of The Policy Center on Aging, and the Louis Stulberg Professor of Law and Politics, at the Florence Heller Graduate School, Brandeis University. Some of the observations I will be making this morning were developed as part of a larger policy analysis in which I have been involved, funded by the Administration on Aging (AoA) as part of its National Policy Study Centers program under Title IV of the Older Americans Act. However, I wish to state clearly at the outset that all of the views I will express are my own, and are not attributable to the Administration on Aging or anyone else.

My testimony this morning will be focused on targeting policy options under Title III of the Older Americans Act. My views can be summarized as follows:

1. the current legislation does make it possible for Title III to be targeted to a variety of economic and social needs of older persons, where and when they are perceived to exist;

2. to the extent that you and your colleagues, or other interested decision makers in the federal government -- or at the state and local levels -- wish to enhance targeting toward any particular set of needs, there are a number of practicable options for doing so; and,

3. these options do not require drastic changes in the present legislation.

Most of my testimony will be devoted to presenting a series of policy options -- at the federal level, and at state and local levels -- for targeting to meet economic needs, and for targeting to meet social needs.

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Each set of options will be outlined with an eye to three considerations: their effectiveness as targeting measures; their political viability; and the administrative difficulties that they might engender.

Before I present these options, let me briefly address some of the fundamental issues of targeting that underlie the pending reauthorization of the Older Americans Act.

Fundamental Issues

In the broadest discussions of policies toward older persons, debate has focused on "age vs. need" as alternative criteria to be used in targeting resources. As we know, Title III of the OAA, as currently authorized, funded, and administered, does not resolve this debate or any of the other fundamental issues concerning targeting. In its very nature as a categorical grant-in-aid, of course, it is in some sense targeted to older Americans. But Title III legislation and implementing policies do not even resolve clearly the most basic questions such as: How old must an older American be in order to be eligible for Title III programs and services? The ambiguities and the underlying conflicts regarding Title III can be summarized in terms of three fundamental issues.

1. Targeting vs. Non-Targeting

First, there is conflict as to whether Title III should be targeted at all. Some interested parties and analysts feel that the programs and services offered through Title III should be available, at least in principle, to all older Americans. They support this view with several arguments. One argument is that older persons of all economic and social characteristics may, at one time or another, have need for assistance and that private market mechanisms do not (and are not likely to) provide services that are provided by the so-called Aging Network sustained by

Title III programs and services. A second argument is that restrictions of Title III on the basis of economic or social characteristics would in some sense make it a "welfare" program, like Supplemental Security Income (SSI), thereby stigmatizing those older Americans who participate in it; the argument implies that if Title III were thus restricted, many older persons who could and should use OAA programs would not, because of their fear of stigmatization. A third and related argument is that the very processes of operationalizing restrictions on client eligibility tends to degrade clients subjected to them, and also undermines the perspectives and efforts of service providers; the general mode of service operation becomes restrictive in ethos rather than supportive and outreaching. A fourth argument is that restriction of Title III availability, particularly on the basis of economic and social characteristics, would constrict the base of popular support for the OAA, and concomitantly weaken its political support within Congress and in the states.

On the other hand, proponents of targeting emphasize the limited resources available under Title III and the substantial diversity of economic and social need within the older population. One of their arguments is that the funds available through Title III cannot begin to meet the need for any one program -- e.g., the nutrition programs or the home repair program -- let alone all the programs authorized by the legislation. A second argument is that some programs are more important than others because the needs they are expected to meet are of greater societal importance. And a third, related argument is that the economic and social needs of severely disadvantated older persons should have priority among the conditions to be alleviated through public programs. This fundamental conflict over whether to target is expressed in the present legislation and in its implementation through AoA and its Aging Network of SUAs, AAAs, and service providers. Viewed in its totality, Title III remains ambiguous on this basic issue.

2. Some Targets vs. Other Targets

Even among those who agree on the desirability of targeting, there is conflict regarding which groups are appropriate targets and what should be the priorities among them. A variety of arguments have been put forward for targeting Title III in a fashion that would address specific problems and concerns within the older population such as: low income, disadvantages associated with racial and ethnic status, risk of long-term disability and institutionalization, social isolation and dependency, and so on. Moreover, many different methods have been identified for operationalizing targeting efforts addressed to those and other problems and concerns. Neither the problems and concerns identified, nor the methods for operationalizing them, are necessarily incompatible. But since the prior issue of whether or not targeting is appropriate remains unresolved, current policies reflect a curious mixture of somewhat contradictory and piecemeal expressions of targeting.

3. Federal Targeting vs. State and Local Autonomy

A third fundamental issue is the appropriate locus of governmental responsibility for targeting. On the one hand, both the Title III legislation and federal regulations implementing it express some elements of a national targeting policy, such as the legislative mandate that preference should be given in the provision of services to those older persons who are in the greatest economic or social need.

At the same time, President Reagan's "New Federalism" and previous versions of the New Federalism have emphasized the desirability of letting state and local governments determine their respective social policy priorities in administering federal grant-in-aid programs. On this latter point, of course, officials of state and local government generally concur. Through this classic and enduring conflict inherent in American federalism, the general notion of targeting under Title III becomes still further complicated.

The policy options that I will present in this testimony are not intended to resolve these fundamental disagreements. Rather, they reflect the fact that these disagreements exist. The policy options that I will outline are structured so as to present targeting strategies that could further social policy goals that may or may not be regarded as desirable by various interested parties. Consequently, assessments of the political viability and the administrative feasibility of the options and strategies I present will reflect sensitivity to the different perspectives of the various parties involved, and the roles they would be likely to play in alternative situations.

Some Observations Regarding Major Legislative Changes

Although I will systematically review legislative options for further targeting, let me briefly indicate why some of the major legislative proposals that have been considered for resolving the fundamental issues of targeting are probably ill-advised.

The overriding virtue of the present legislation is that it reflects two important sets of facts. The first is that there are many different kinds of needy older Americans -- those who have inadequate incomes; those who are disadvantaged due to ethnic and cultural status; those who are at high risk of long-term disability and institutionalization; those who are isolated from access to essential services and their larger environments; and so on. The second is that the distribution of these needs varies throughout the nation, among states and within communities. As presently constructed, Title III makes it possible for the Network of State Units on Aging (SUAs), Area Agencies on Aging (AAAs), and service providing organizations to be flexible in meeting these many different kinds of needs within the older population, where they exist, and when they change over time. Some of the major legislative changes that are being discussed would substantially reduce these virtues of the current legislation.

Some analysts and interested parties would like to resolve the debate over age vs. need by emphasizing need -- particularly economic need -- through an amendment that would restrict client eligibility on the basis of income, through the use of a means test. In my view this approach has a number of deficiencies:

1. it would deny services to many older persons who need them, but who are not precisely eligible for them;
2. it would engender a number of costly and burdensome administrative tasks;
3. it would label Title III as, in some sense, a welfare program, and thereby stigmatize those who participate in it; and
4. similarly, it might erode popular support for the program.

Another major set of options that have been discussed would change the formula through which Title III funds are allocated among the states, in order to target resources more in accordance with the distribution of needs. But examination of such changes suggest that most of them would not even do a better job of targeting resources to any one need than is done by the present formula. Moreover, in the few instances where such a change would target more effectively toward one need, they would target resources away from other important needs.

For example, some have attempted to mediate the targeting debate over age vs. need by suggesting that the interstate funding formula be constructed on the basis of an older age criterion then presently employed. The formula could be based on the number of persons 75 years of age and older in each state -- or 70 and older, or 65 and older -- instead of the current basis of 60 years of age and older. On the surface, this approach seems appealing. It preserves the univeral nature of the program, thereby avoiding a "welfare stigmatization" of clients and maintaining a broader base of popular support. At the same time, older ages, especially 75 years and over, serve as reasonable proxies for the incidence of economic and social needs within the elderly population. Consequently, the appeal of such proposals is that they would seem to maintain a sense of universal eligibility for participation in Title III, but target scarce resources in relation to the distribution of those older Americans who are most likely to have needs requiring collective assistance.

In reality, however, the use of such formulas would not do a better job of targeting resources than the present formula. A formula based on 75 years of age and older, for instance, would certainly result in changes in the specific amount of Title III funds received by certain states -- with some getting more, and some getting less than at present.

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But in the aggregate, the picture would not be different. The interstate allocation of funds would be no more in consonance with the interstate distribution of needs than it is under the present formula.

One of the few types of changes in the formula that would make an overall difference would be to allocate Title III funds on the basis of the number of low income older persons in each state. This approach would bring the overall interstate allocation of resources much more into harmony with the interstate distribution of economic need within the older population than is achieved through the present formula. But at the same time, the distribution of resources would be highly out of harmony with the interstate distribution of other -- non-economic -- needs, and sharply reduce the allocations to many states. Conceivably, the Congress might wish to undertake a so-called "hold harmless" approach in which sufficient additional funds were appropriated to make it possible for a formula based on economic need to be used as the basis for Title III allocations, without causing any state to receive less funds than at present. The estimated annual cost of such an approach, however, would be about $700 million more, or a 130 percent increase in Title III appropriations.

A Broader Look At Targeting Options

Despite the difficulties involved in some of the drastic changes that have been discussed, there are many other effective options -- at the federal, and state and local levels -- for targeting Title III. In order to consider the full range of options, it is useful to step back and take a three-dimensional look at targeting.

As indicated in Table 1, there are two basic approaches to targeting -- through eligibility and allocation. Each of these two approaches can be operationalized through any one of three methods -- the use of individual characteristics, aggregate characteristics, or environnmental characteristics. And either of the two approaches can be operationalized, in any of the three ways, at five levels of decision-making and implementation -- Federal legislation, federal regulations, State Units on Aging (SUAs), Area Agencies on Aging (AAAs), and service providing organizations and staff. In theory, then, there are 30 combinations of approach, method, and level for targeting initiatives.

As indicated in Table 2, this theory is a reality under current Title III legislation and implementation. Targeting is, in fact, presently carried out through all 30 possible combinations.

By taking this three-dimensional look at targeting, it becomes easier to lay out and assess a wide range of options for targeting to various needs within the older population. For the purposes of this hearing, I have applied this broader framework to just two general categories of need -- economic need and social need. Due to considerations of space, the options are presented in only the barest, outline form. (A fuller discussion of these options can be found in "An Analysis of 'Targeting' Policy Options Under Title III of the Older Americans Act," Working Paper No. 16 of the National Aging Policy Center on Income Maintenance, Brandeis University, Waltham, Mass.)

Targeting to the Economically Needy

Each of a number of federal policy options, and options for state and local action, could have an impact in targeting Title III programs and services more effectively to economically needy older persons.

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Table 1

A CONCEPTUAL FRAMEWORK FOR TARGETING

Basic Approaches	Methods for Operationalizing	Levels of Decision-Making and Implementation
Eligibility	Individual Characteristics	Federal Legislation
Allocation	Aggregate Characteristics	Federal Regulations
	Environmental Characteristics	SUAs
		AAAs
		Service Providers

Table 2

A THREE-DIMENSIONAL OVERVIEW OF EXISTING TARGETING PRACTICES

Level of Decision-Making & Implementation	Eligibility Approach			Allocative Approach		
	Methods of Operationalization			Methods of Operationalization		
	Individual	Aggregate	Environmental	Individual	Aggregate	Environmental
FEDERAL LEGISLATION	Nutrition programs; age 60+ and spouses	PSAs with 100,000; 60+ and low income	Characteristics of PSAs	Home delivered meal allotment; GESN preference	Title III formula; nos. with limited English spkg. ability	Rural 105% allotment; use of income ranges for contributions
FEDERAL REGULATIONS	Prohibition of means tests	60+ & GEN for PSAs; GESN for community focal points	PSA and community focal point designations	Client contributions for services	60+ and GESN for IFFs; location of nutrition sites	Rural definition; AAA base sub-grants; meals in emergencies
SUAs	Guidelines to AAAs	PSA desig., sub-fund elig.; AAA minimum need demonst.	PSA characteristics	Frequency of service	IFFs	IFFs
AAAs	Guidance to service providers	Designation of community focal points	Designation of community focal points	Amounts of service; guidelines on contributions	Choice of programs; funding levels	Choice of programs; funding levels
SERVICE PROVIDERS	Need assessment; service modes; style of interaction	Program location; specialized services	Program location; specialized services	Need assessment; service modes; style of interaction	Program location; specialized services	Program location; specialized services

AAA - Area Agency on Aging

GEN - Greatest Economic Need

GESN - Greatest Economic or Social Need

IFF - Intrastate Funding Formula

PSA - Planning and Service Area

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Moreover, unlike some of the current federal, state, and local policies relevant to economic need, they are not internally contradictory; that is, one option does not tend to cancel out the potential targeting effect of another. Rather, the potential effects of the options described above are cumulative. They would all direct eligibility and resources under Title III more fully to the economically needy. The more of these options that are adopted, the more sharply Title III will be targeted to the economically needy.

Nonetheless there are reasons for believing that particular sets of options vary substantially with respect to: the political viability of their adoption as policies, their potential effectiveness as targeting measures, and the administrative difficulties involved in implementing them. The conclusions I have drawn with respect to variations in political viability, targeting effectiveness, and administrative difficulties are summarized graphically for federal policy options in Figure 1, and for state and local options (on which AoA may wish to undertake an active advisory role) in Figure 2.

Because of these variations it is evident that some options that, in theory, could have a major targeting impact, are relatively impracticable for political and/or administrative reasons. Conversely, other options that pose few administrative difficulties, and which may be viable politically, will only be likely to have a minor targeting impact. Consequently, some options are more worthy than others of consideration by Congress, AoA, and by state and local components of the Title III Network.

FIGURE 1

OVERVIEW OF FEDERAL OPTIONS FOR TARGETING TO THE ECONOMICALLY NEEDY

		Political Viability	Targeting Effectiveness	Administrative Ease
1. (a)	Require Means Tests	Poor	Excellent	Moderate$^-$
(b)	Allow Means Tests	Moderate$^-$	Excellent *	Excellent
2.	Strengthen Language for Service Preference	Moderate$^-$	Poor$^+$	Excellent
3.	Identify Clients Through Non-Title III Programs	Moderate	Moderate	Excellent
4.	Require Minimum Allotments of Services	Excellent	Moderate$^+$	Moderate$^-$
5.	Require Fee Schedules for Services	Moderate	Moderate$^-$	Moderate$^-$
6.	Amend Formula for Title III Interstate Allocation	Poor	Excellent	Excellent
7.	Require More "Economic Need" in IFFs	Poor$^+$	Excellent	Excellent
8.	Mandate Programs and Specialized Services	Moderate	Moderate$^+$	Excellent
9. (a)	Create "Set Aside" Funds for PSAs	Moderate	Moderate$^+$	Excellent
(b)	Require Designations for Community Focal Points	Moderate$^+$	Moderate	Moderate$^-$

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* where opted

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FIGURE 2

OVERVIEW OF STATE AND LOCAL OPTIONS FOR TARGETING TO THE ECONOMICALLY NEEDY

			Political Viability	Targeting Effectiveness	Administrative Ease
1.		More "Economic Need" in IFFs	Moderate	Excellent	Excellent
2.	(a)	SUA Guidelines Emphasizing "Economic Need"	Moderate	Moderate	Excellent
	(b)	AAA Guidelines Emphasizing "Economic Need"	Moderate	Excellent	Excellent
3.		Identify Client Status for Improved Program Evaluation and Planning	Moderate$^-$	Moderate$^+$	Moderate$^-$
4.		Identify Clients Through Non-Title III Programs	Moderate	Moderate	Moderate$^-$
5.		Fee Schedules for Services	Moderate	Moderate$^-$	Moderate$^-$
6.		SUA Creation of "Set Aside" Funds for PSAs	Moderate	Moderate$^+$	Moderate$^+$
7.	(a)	SUA Requirements for Designation of Community Focal Points	Moderate	Excellent	Moderate
	(b)	AAA Designation of Community Focal Points	Moderate	Excellent	Moderate$^+$
8.	(a)	SUA Mandate for Programs and Specialized Services	Moderate$^-$	Excellent	Moderate$^-$
	(b)	AAA Funding and Location of Programs and Specialized Services	Moderate$^-$	Excellent	Moderate$^+$

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Accordingly, this presentation of options for targeting to the economically needy sets forth a targeting strategy that takes account of political viabililty, targeting effectiveness, and administrative difficulties. Federal options, as well as state and local options, are grouped in categories that are labelled: "high potential;" "worth consideration;" "marginal;" and "not worth consideration."

- Options that have HIGH POTENTIAL are those that combine the following characteristics:
  - -- moderate or better in terms of political viability;
  - -- moderate or better in likely targeting effectiveness;
  - -- no worse than moderate in terms of administrative difficulties.
- Options that are WORTH CONSIDERATION are those that combine the following characteristics:
  - -- at least plausible in terms of political viability;
  - -- moderate or better in likely targeting effectiveness;
  - -- at least workable administratively.
- Options termed MARGINAL are those that combine the following characteristics:
  - -- at least plausible in terms of political viability;
  - -- relatively weak in likely targeting effectiveness;
  - -- workable administratively, but with more than moderate difficulties involved.
- Options labelled NOT WORTH CONSIDERATION are those that do not meet at least the standards expressed in all three of the characteristics used to describe marginal options.

The targeting strategy presented below uses these groupings to emphasize differentially: (a) federal policy options; (b) state and local policy options; and (c) options for AoA in providing advice and technical assistance to the Title III Network.

1. Federal Policy Components in the Strategy

Our analysis of policy options available to the federal government for targeting Title III more strongly to the economically needy has considered nine types of options, and major variations on two of these nine. Altogether, then, eleven sets of options have been assessed in terms of political viability, likely targeting effectiveness, and administrative difficulties. Of these eleven sets of federal options we rate:

- o three as having HIGH POTENTIAL;
- o three as WORTH CONSIDERATION;
- o one as MARGINAL;
- o four as NOT WORTH CONSIDERATION

a. Options with High Potential. The three sets of federal policy options that seem to have high potential for targeting Title III to the economically needy are:

- o interagency agreements between AoA and federal agencies administering existing low-income targeted programs, facilitating identification of poor older persons through Non-Title III programs;
- o legislation or regulations mandating that the existing Title III allocations within certain PSAs* be spent on specific programs and services especially useful to poor older persons;

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* Planning and Service Areas

Federal Options: HIGH POTENTIAL

Fig. 3
Identify Clients Through
Non-Title III Programs

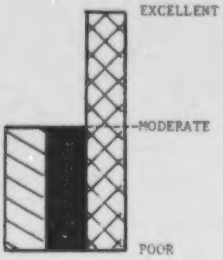


Fig. 4
Mandate Programs and
Specialized Services

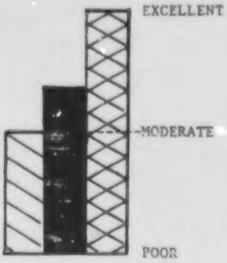
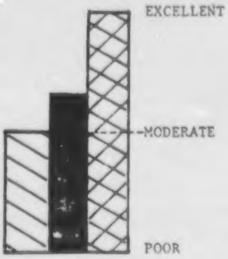


Fig. 5
Create "Set Aside" Funds
for PSAs



▧ Political Viability

■ Targeting Effectiveness

▩ Administrative Ease

- o legislative authorization and appropriation of "set aside" funds for PSAs meeting designated (legislative or administrative) criteria, to be used only to fund specific types of programs and/or specialized services that are particularly useful to poor older persons.

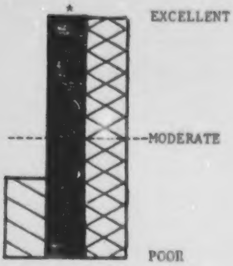
As expressed in the graphic depictions in Figures 3, 4, and 5, each of these sets of options is approximately moderate in terms of political viability. Moreover, none engender significant administrative difficulties for the federal government, although state and local implementing agencies would take on substantial administrative burdens. The options for interagency agreements (Fig. 3) would probably be only moderate in targeting effectiveness since much would depend upon discretionary behavior by state and local implementing agencies. But the options for mandating programs and services within certain PSAs (Fig. 4), and for "setting aside" funds for eligible PSAs (Fig. 5) would be likely to be more than moderately effective as targeting measures.

b. Options Worth Consideration. Three sets of federal policy options that seem to be at least worth consideration are:

- o changes in regulations or legislation to allow SUAs to employ means tests, if they choose to do so within their respective jurisdictions;
- o legislation or regulations requiring minimum allotments of specific services to poor older persons, or minimum allotments, to all clients, of services that are particularly useful to the poor;
- o legislation and/or regulations to require that community focal points within PSAs be designated and located within geographical settings that have specified minimum concentrations of poor older persons.

Federal Options: WORTH CONSIDERATION

Fig. 6
Allow Means Test



*In those SUAs
where utilized.

Fig. 7
Require Minimum
Allotments of Services

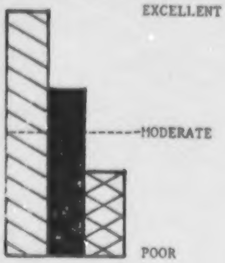
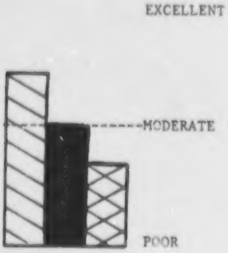


Fig. 8
Require Designations for
Community Focal Points



▧ Political Viability

■ Targeting Effectiveness

⊠ Administrative Ease

As can be seen in the graphic depictions of these sets of options in Figures 6, 7, and 8, they vary somewhat in their respective components of political viability, likely targeting effectiveness, and potential administrative difficulties.

The options for allowing SUAs to employ means tests (summarized in Fig. 6) would be highly effective for targeting in those states that chose to exercise this possibility. Administrative difficulties would be passed on to states willing to implement these options; but no administrative difficulties would be encountered by AoA. Although these options may engender some political opposition within Congress, and within the Title III Network and among interest groups, the obstacles to adoption would probably not be insuperable.

In contrast, options ensuring minimum allotments of services (Fig. 7) would be unlikely to engender political opposition, and would have a relatively strong targeting effect throughout the Title III Network. Somewhat more than moderate administrative difficulties would be involved, however, in federal responsibilities to monitor Network compliance.

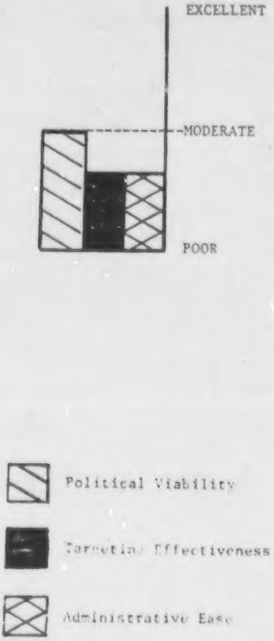
Options requiring that community focal points be designated within settings that have specified concentrations of poor older persons (Fig. 8) would not be too difficult to adopt politically, but would only be moderate in targeting effectiveness. Moreover, AoA would encounter substantial administrative difficulties in monitoring AAA compliance with such policies.

c. A Marginal Set of Options. Federal options requiring Title III service providers to develop a fee schedule for services based on income ranges in the community are only worth borderline consideration. As

Federal Option: MARGINAL

Fig. 9

Require Fee Schedules
for Services



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graphically summarized in Fig. 9, their targeting effectiveness would be only weak and the additional administrative difficulties engendered with respect to states engaged in this activity would be substantial.

d. Options Not Worth Considering. Four sets of logical federal policy options that are impracticable and, therefore, not worth consideration are:

- legislation and regulations requiring the use of a means test under Title III;
- legislation and regulations changing the GESN* clause to strengthen emphasis on economic need;
- legislation amending the formula for interstate distribution of Title III funds;
- legislation and regulations requiring the use and/or weighting of specific measures of economic need in IFFs.

Three of these sets of options -- requirements for means tests (Fig. 10); new legislative formulas for interstate funding (Fig. 12); and requirements weighting IFFs** to the economically needy (Fig. 13) -- would be highly effective as targeting measures. But since we do not regard them to be at all viable politically, we have categorized them as not worthy of consideration.

Although options for strengthening the language of the GESN clause (Fig. 11) may be at least plausible in the terms of political viability, they would have a weak targeting effect -- at best, symbolic. Hence, they are not worth the political struggle to adopt them.

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[*] Greatest Economic or Social Needs

[**] Intrastate Funding Formulas

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Federal Options: NOT WORTH CONSIDERATION

Fig. 10
Require Means Tests

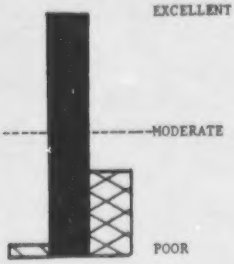


Fig. 11
Strengthen Language
for Service Preference

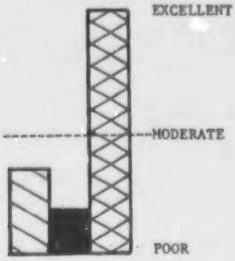


Fig. 12
Amend Formula for
Title III Interstate
Allocation

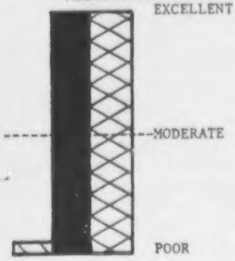
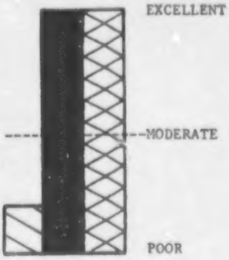


Fig. 13
Require More
"Economic Need" in IFFs



▨ Political Viability

■ Targeting Effectiveness

⊠ Administrative Ease

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2. State and Local Components in the Strategy.

Our analysis of policy options available to state and local components of the Title III Network for targeting to the economically needy has focused on eight types of options, and major variations on three of the eight. Of these eleven sets of state and local options we rate:

- o six as having HIGH POTENTIAL;
- o four as WORTH CONSIDERATION;
- o one as MARGINAL

a. Options with High Potential. The six sets of state and local options that seem to have high potential for targeting Title III to the economically needy are:

- o SUA adoption of IFF formulas that weight the intrastate distribution of Title III funds more heavily in relation to the inter-PSA distribution of poor older persons;
- o SUA guidelines to AAAs emphasizing that implementation of the GESN clause should be targeted on the economically needy;
- o AAA guidelines to service providers emphasizing that implementation of the GESN clause should be targeted on the economically needy;
- o SUA establishment of set aside funds from within the current Title III allotments for PSAs meeting designated criteria, to establish programs and services especially useful to poor older persons;
- o SUA requirements that AAAs designate community focal points on the basis of specified geographical concentrations of poor older persons;

State and Local Options: HIGH POTENTIAL

Fig. 14
More "Economic Need"
in IFFs

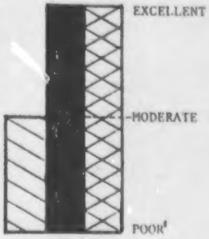


Fig. 15
SUA Guidelines
Emphasizing "Economic Need"

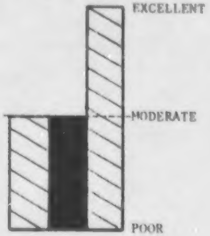


Fig. 16
AAA Guidelines
Emphasizing "Economic Need"

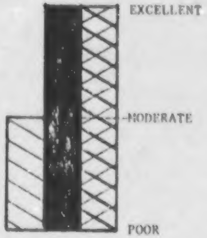


Fig. 17
SUA Creation of
"Set Aside" Funds for PSAs

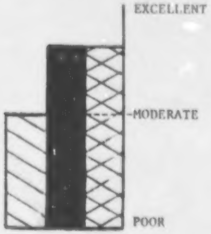


Fig. 18
SUA Requirements for Designation
of Community Focal Points

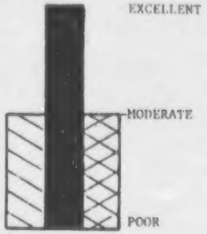
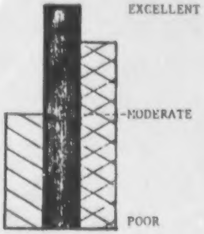


Fig. 19
AAA Designation
of Community Focal Points



▨ Political Viability ■ Targeting Effectiveness ☒ Administrative Ease

- AAA designation of community focal points on the basis of local decisions regarding low-income thresholds and concentrations of poor older persons.

As expressed in the graphic depictions in Figures 14 through 19, each of these sets of options has a high potential for targeting effectiveness in those SUAs and AAAs that choose to adopt them. We have expressed the political viability of these options, however, as moderate because the variable nature of political leadership and climate among the states and localities will substantially determine which SUAs and AAAs would be inclined to try and succeed in adopting such options. The state and local administrative burdens engendered by these policies would be negligible in some cases, and moderate in others.

b. Options Worth Consideration. Four sets of options that seem to be worth consideration by states and localities are:

- active (though sensitive) determination -- by SUAs, AAAs, and service providers -- of the economic status of Title III program participants in order to refine program evaluation and planning;
- establishment and implementation -- by SUA, AAAs, and service providers -- of state and local interagency agreements that would facilitate identification and outreach to poor older persons not currently participating in Title III programs;
- SUA requirements that certain PSAs and/or focal point agencies use their Title III allotments for programs and services that are especially useful to poor older persons;
- AAA decisions to fund and locate programs and services of especial usefulness to the poor, on the basis of numbers or concentrations of economically needy older persons in their respective jurisdictions.

As can be seen in the graphic depiction of these sets of options (Figures 20-23), they vary somewhat in their respective components of political viability, targeting effectiveness, and administrative

State and Local Options: WORTH CONSIDERATION

Fig. 20
Identify Client Status for Improved Program Evaluation and Planning

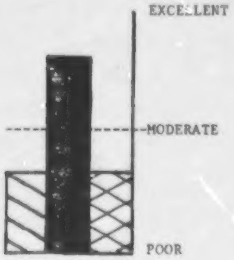


Fig. 21
Identify Clients Through Non-Title III Programs

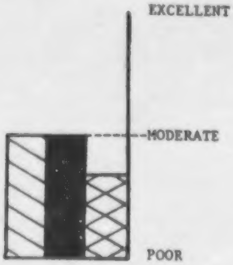


Fig. 22
SUA Mandate for Programs and Specialized Services

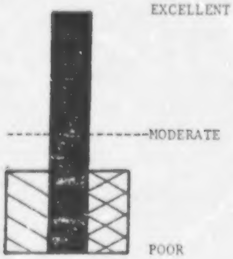
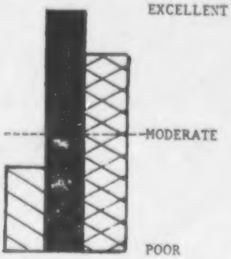


Fig. 23
AAA Funding and Location of Programs and Specialized Services



▨ Political Viability

■ Targeting Effectiveness

☒ Administrative Ease

difficulties. Yet, because they all are likely to have a moderate or better targeting effect, and the political and administrative difficulties associated with them are not insuperable, they appear to be worth consideration.

c. Marginal Set of Options. SUAs and AAAs could require within their respective jurisdictions the use of fee schedules for services, based on income ranges; in the absence of such requirements, service providers could exercise this option more aggressively, pursuant to current federal regulations. This set of options is probably not worth consideration at the state and local level, for the same reason we have judged similar options at the federal level to be "marginal." As graphically summarized in Fig. 24, its targeting effectiveness would only be weak and the administrative difficulties engendered would be considerable.

3. AoA Advice and Technical Assistance

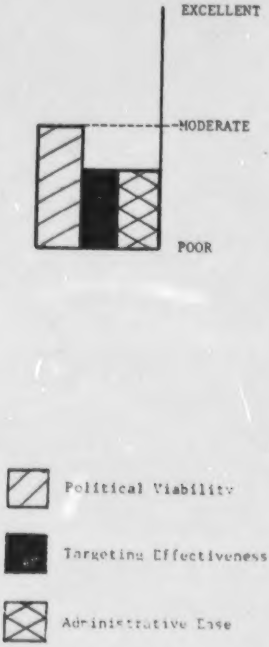
In the absence of a new federal legislation or regulations that would prohibit any of the state and local options summarized above, it is clear that practicable possibilities are available to those SUAs, AAAs, and/or service providers that are inclined to target Title III more sharply to the economically needy. AoA could either actively encourage states and localitites to adopt these options, or passively disseminate information about them to the Title III Network.

In either case -- whether AoA disseminates information about these options in an active advisory leadership role, or in a more passive technical assistance role -- it will encounter few administrative difficulties. Some components of the Title III Network, as well as some aging-based interest groups, will resent an active emphasis by AoA on

State and Local Option: **MARGINAL**

Fig. 24

Fee Schedules for Services



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economic need, and express their resentment through political channels. But the amount of political discontent will not vary a great deal in relation to one set of options or another, since no components of the Network will be required to act in accordance with any proposal. Rather, expressions of discontent will simply reflect the fundamental and unresolved value conflicts regarding whether or not it is appropriate to target, and which targets should be preferred.

Targeting to Social Needs

Many, but not all, of the basic options available for targeting to economic need can be used for targeting a variety of social needs as well. In the context of this testimony there is little point in going through exhaustive and repetitive detail on every option as applied to each of a variety of social needs. Rather, it will be more useful to point up how options for targeting to social needs are similar and different from the options for targeting to economic needs.

As a general observation, state and local options for targeting to social needs seem to be more viable politically than are federal options. This is because any attempt to target social needs nationally would involve even greater controversy, and variability in interests, than national attempts to target economic need. The meanings of "social need" and the sensitivities generated by them are numerous, and distributed rather differently among a variety of constituencies throughout the nation.

As indicated in Figs. 25 through 30, there are six state and local options that we assess as having HIGH POTENTIAL. Fundamentally, these are the same combinations of actions presented earlier in Figs. 14-19 for

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State and Local Options: HIGH POTENTIAL

Fig. 25
More "Social Needs"
in IFFs

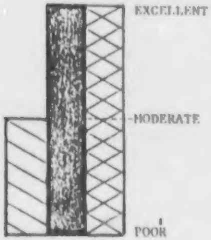


Fig. 26
SUA Guidelines
Emphasizing "Social Needs"

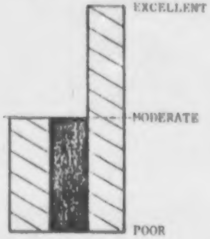


Fig. 27
AAA Guidelines
Emphasizing "Social Needs"

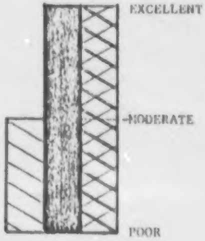


Fig. 28
SUA Creation of
"Set Aside" Funds for PSAs
to Address Social Needs

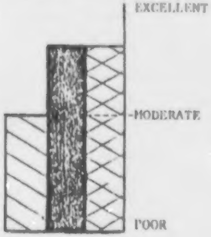


Fig. 29
SUA Requirements for Designation
of Community Focal Points
to Address Social Needs

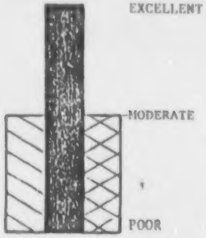
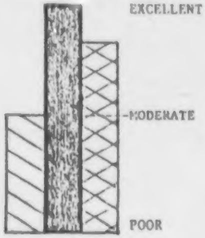


Fig. 30
AAA Designation
of Community Focal Points
to Address Social Needs



▧ Political Viability ▓ Targeting Effectiveness ☒ Administrative Ease

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targeting to the economically needy. But the substantive emphasis in each option would be focused on social needs deemed to be of high priority in the respective state and local jurisdictions.

Similarly, three state and local options WORTH CONSIDERATION are presented in Figs. 31 through 33, paralleling the options presented earlier in Figs. 20, 22, and 23. But the options that were presented in Figs 21 and 24 for targeting to the economically needy are not paralleled here, because they have no relevance to targeting for social needs.

When federal options for targeting to social needs are considered, many of the parallels with economic need tend to break down. In contrast with our consideration of options for targeting to the economically needy, we regard none of the federal options as having HIGH POTENTIAL.

As indicated in Figs. 34 and 35, two options are WORTH CONSIDERATION, but only in the context of an optimistic view of their political viability. Similarly, there are two MARGINAL federal options for targeting to social needs. These are not only questionable in terms of political viability, but also limited by administrative difficulties (see Figs. 36 and 37).

Finally, as can be seen in Figs. 38 through 40, we assess three of the more logically obvious federal options for targeting to social needs as NOT WORTH CONSIDERATION. Two of the options -- amending the interstate funding formula, and requiring heavier expressions of social needs in Intrastate Funding Formulas -- are excellent targeting measures, in theory; but we assess them to be politically impracticable. A third option, strenthening the language calling for preference in the provision of services to older persons with social needs, may be somewhat more

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Targeting Social Needs

State and Local Options: WORTH CONSIDERATION

Fig. 31
Identify Client Status
for Improved Program
Evaluation and Planning

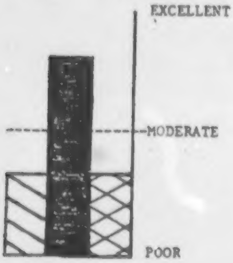


Fig. 32
SUA Mandate for Programs
and Specialized Services

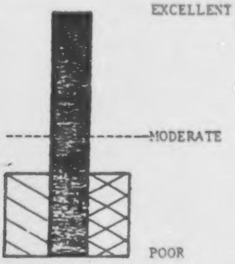
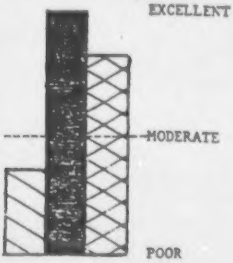


Fig. 33
AAA Funding and
Location of Programs
and Specialized Services



▧ Political Viability

■ Targeting Effectiveness

▩ Administrative Ease

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Targeting Social Needs

Federal Options: WORTH CONSIDERATION

Fig. 34
Mandate Programs and
Specialized Services

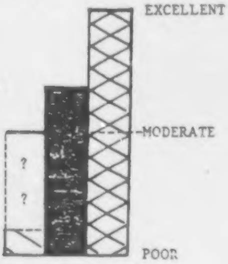
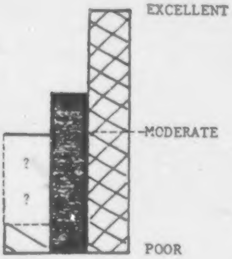


Fig. 35
Create "Set Aside" Funds
for PSAs



▧ Political Viability

▓ Targeting Effectiveness

⊠ Administrative Ease

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Targeting Social Needs

Federal Options: MARGINAL

Fig. 36
Require Minimum
Allotments of Services

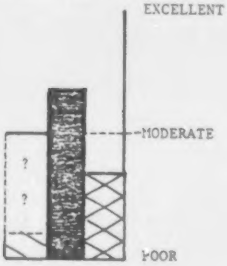
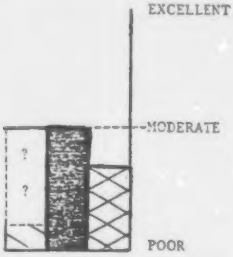


Fig. 37
Require Designations for
Community Focal Points



▧ Political Viability

■ Targeting Effectiveness

☒ Administrative Ease

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Targeting Social Needs

Federal Options: NOT WORTH CONSIDERATION

Fig. 38
Strengthen Language for Service Preference to Socially Needy

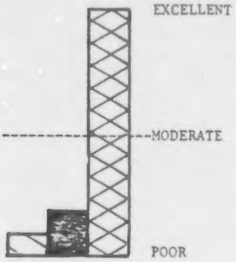


Fig. 39
Amend Formula for Title III Interstate Allocation

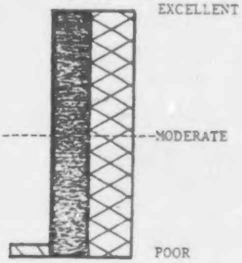
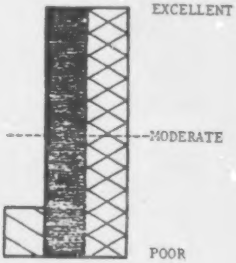


Fig. 40
Require More "Social Need" in IFFs



▧ Political Viability

■ Targeting Effectiveness

☒ Administrative Ease

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viable politically. But at best, such a change in legislative language and regulations implementing that language, would have only a minor targeting effect.

Concluding Observations

Although we have applied the same analytical approach for considering both targeting to economic and social needs, it has not yielded the same precise sets of specific options and overall strategies. The different nature of economic needs and social needs generate somewhat different kinds of appropriate policy measures, as well as different political responses and administrative challenges.

Finally, it should be noted that efforts to target to a variety of social policy goals within a single jurisdiction -- national, state, or local in scope -- may cancel each other out. The options presented for targeting to the economically needy are cumulative in their potential impact. That is, the more of them that are undertaken, the greater the likelihood that economically needy older persons will be targeted through Title III. The same is true of the options for targeting social needs. But targeting efforts to achieve multiple social goals may not be cumulative. In some contexts, for example, special measures to target "toward" economically needy older persons may target "away" from socially needy older persons, or vice versa. Consequently, the fundamental issue of which target among many has priority must inevitably be confronted and resolved politically at any level of decision-making where a targeting initiative is being contemplated.

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QUESTIONS FOR DR. BINSTOCK FROM SENATOR CHARLES E. GRASSLEY

1. Must we here in the Congress accept as our goal for targeting whatever is the outcome of state and local targeting activities because it is not possible to define acceptable national goals for targeting?

2. You discussed in your testimony the "political viability" of various targeting strategies. Please define "political viability" for me.

3. You point out on page 8 of your written testimony that, if the inter-state funding formula were adjusted to reflect the incidence of economic need among old people across the several states, the resulting allocation of funds would be out of harmony with the interstate distribution of non-economic needs. What indicators did you use in your targeting project for non-economic needs?

4. Please define the "allocative" and "eligibility" approaches - the two Basic Approaches in your targeting schema.

BEST COPY

Brandeis University

The Policy Center
on Aging

Florence Heller
Graduate School
Waltham, Massachusetts
02254

617-647-2912

December 21, 1983

The Honorable Charles E. Grassley
Chairman, Subcommittee on Aging
U.S. Senate Committee on Labor
and Human Resources
Washington, DC 20510

Dear Senator Grassley:

This is in response to your letter of December 1, 1983, asking me some additonal questions in relation to my November 15, 1983 testimony before the Subcommittee on Aging on "Targeting Scarce Resources Under the Older Americans Act."

My apologies for the date of this response. Your request arrived here while I was out of town for a substantial period of time. I hope that my response is sufficiently timely for inclusion in the record.

Supplemental question 1

Certainly it is possible for Congress to define national goals for targeting. No goal that is defined, however, is likely to be acceptable to everyone. The very meaning of targeting is such that it brings about the allocation of resources to some persons and jurisdictions at the expense of others. If Congressional leadership is able to muster a majority to choose some targets over others, reflecting a decision about national goals, then those who do not find them acceptable will have to live with them.

I would emphasize, however, that the definition of national goals for targeting through changes in the interstate funding formula, requirements for specific allocations in the intrastate funding formulas, and eligibility for persons who meet specific criteria, are far more likely to target than elaboration of the language defining "preference in the provision of services to those with the greatest economic or social need." The latter language ensures nothing concerning actual allocation of resources or eligibility for participation in the program.

Supplemental question 2

The discussion of "political viability" in my testimony reflected the following definition. A strategy was judged to be of "low political viability" if it involved a proposition that would be likely to engender a high degree of conflict within Congress, or among the other decision-making entities at the relevant levels of decision-making and implementation. A strategy was regarded as being "politically viable" if it was likely to be relatively uncontroversial and unlikely to engender a great deal of political conflict.

Supplemental question 3

The indicators of non-economic need that we used were the interstate distribution of the following: persons 75 years of age and older (as a proxy for vulnerability to long term disabling conditions); Medicare expenditures (as a proxy for health status); "minority" status; sex; and combinations of all of these.

Supplemental question 4

The "eligibility approach" in our basic targeting framework is defined as:"To target by determining which persons or which jurisdictions are eligible to benefit from and participate in the programs authorized and funded by the Older Americans Act." The "allocative approach" is defined as: "To target by allocating finite resources among governmental jurisdictions, administrative agencies, programs and services, and clients.

* * * * * * * *

I hope that these answers are sufficiently responsive to your questions.

Sincerely,

Robert H. Binstock
Director,
Stulberg Professor of
Law and Politics

RHB/av

Senator **Grassley**. You have already anticipated a lot of questions I was going to ask you, so our questions will not take too long.

Do I understand you to recommend no changes at present in the act with regard to targeting?

Dr. **Binstock**. Not precisely, Senator. No drastic changes such as amending the formula for title III funds distribution to the States; no means test; no requirement of what all states should do with their intrastate funding formulas. But you may wish to consider as options, if you review them, creating some set-asides with minor amounts of funds, mandating certain types of services in localities that have certain characteristics. We have this precedent right now, for example, with the requirement that rural areas receive 105 percent funding of their fiscal year 1978 base. The act is riddled with precedents for minor changes, through any of these 30 combinations. And I have laid out in principle some things you may wish to consider, and tried to distinguish them from those I do not think you ought to consider.

Senator **Grassley**. Do you think the language of the act which requires preferred treatment for certain groups should be different in the act than it is now—say, for instance, in title I or in the introductory sections of titles II, III, and IV—so that it would be unambiguous in its coverage of all programs under the act?

Dr. **Binstock**. I favor it in a mild way. Frankly, I do not think it makes a great deal of difference one way or another. If it will make some people happier, and it is worth your effort to struggle over it, OK, but I think it will not have any influence on how resources are allocated or who is eligible at the point of delivery.

Senator **Grassley**. I do not know whether we are able to measure whether it is worth our efforts to struggle over it.

Dr. **Binstock**. It might keep some people happy for 3 or 4 years if the language reads a different way.

Senator **Grassley**. We ought to try to pass an effective piece of language as opposed to just trying to make people happy.

You point out in your presentation that a fairly large number of targeting goals are possible. In your opinion, is there any targeting goal or group of older persons which should take precedence over most others? I presume that that is a political question we have to consider.

Dr. **Binstock**. It is, but I will be happy to give you my own personal view on that. I tend to prefer targeting to those who are in the greatest economic need, because my some 20 years of experience in this field at the national, State, and local levels suggests that economic need is almost inextricably intertwined with social need, and if you target economic need, you are going to do a pretty good job of hitting a high percentage of the social needs.

Senator **Grassley**. With the exception of the nutrition program and title V, there does not appear to be an age of eligibility specified for any of the Older Americans Act programs, even though the term, "60 years or older," appears numerous places in the act, nor are the terms "older individuals" or "older persons" defined.

Do we need to express a clear age preference for other services in the act, and if you would say "Yes" to that, what should it be?

Dr. **Binstock**. Then, I think I ought to say, "No." [Laughter.]

Dr. **Binstock**. I think the network of agencies and AOA have handled this pretty effectively up to now by interpreting implicitly age 60 as more or less the eligibility lines, because that is the basis on which the funds are allocated.

You might well consider moving it to an older age such as 70 or 75, gradually, because it is really in the mid 70's that a lot of the critical problems hit the older population. But that will mean cutting off people who are in the pipeline at some point, unless it is phased in very, very gradually. I think it would upset a great many people out there to all of a sudden find themselves ineligible for 10 or 15 years for the Older Americans Act after they have been participating in the programs.

Senator **Grassley**. How do you feel about the Federal Council's position to the effect that only local areas can determine who is most needy in those areas?

Dr. **Binstock**. Well, I generally tend to be a believer in local determination, particularly with respect to service needs, because that is how most effective services have developed in this country. However, anything that has the word, "only," in it makes me a little suspicious and a little wary. I would suspect that some role ought to be preserved for States and the Federal Government in that kind of determination as well as localities.

Senator **Grassley**. You may have touched on this just a little bit, but if you did, I will ask you to repeat your position. Do you think the definition of "greatest social need" and "greatest economic need" presently in the Older Americans Act and the regulations is appropriate?

Dr. **Binstock**. It is appropriate in the sense that it seems to be what 535 Members of this distinguished Congress could come up with to resolve haggling over the language.

My own preference would be to say "preference to those in the greatest economic need," and perhaps tie in by saying "with attention to social needs that may be associated or that people may be highly suspectible to."

But again, my feeling is that to change that language per se is not worth the effort of you, Senator, and your colleagues, because it will not change dollars or eligibility. That is where the "bottom line" is going to be in your reauthorization.

Senator **Grassley**. What would you think of putting any language in the act—in the statute, as opposed to the regulations—that would define those terms?

Dr. **Binstock**. I think it would be tricky. As you know, historically, we had "low-income and minority" as the preference phrase, for some years. Clearly, there was a movement to broaden that. Perhaps, cyclically, it might be the time to go back to "low-income and minority." But I would suspect that many constituents would be upset about that, and I suspect many Representatives and Senators would have difficulty with it.

If I had my druthers, if I were a one-man legislature, I would define "economic need" and I would do it in specific terms, and I would define "risk of vulnerability to long-term disabling conditions and institutionalization," and I would set priorities on those two matters over such social needs as recreation centers and socialization programs and so on. But I am, with all due respect, not a one-person legislature.

Senator GRASSLEY. Before I go on, let me consult. (Conferring with staff.)

My last question deals with the distinction, as I presented to the previous witness, that can be made between the general advocacy functions and the nutrition and social service programs. Should the targeting requirements be applied only to the nutrition and service programs and the general advocacy functions carried out for all elderly?

Dr. BINSTOCK. I think, Senator, that the general advocacy functions should be carried out on a State-by-State and locality-by-locality determination as to whether they should be targeted or whether they should be more generic for all older persons. I think in certain areas where Hispanics live in great poverty, it would be criminal if advocacy efforts were not devoted toward them. I think in areas where people are isolated from services because of lack of transportation or the fact that they are in a rural area, I think it would be criminal if there were not advocacy for them. I think in those places where there are blacks suffering from severe deprivation, it would be criminal if there were not advocacy for them.

Now, in some particular localities there are few if any such people with severe deprivation to be advocated for, even though they are old, and in those cases, I expect the advocacy function would be better carried out in a more general sense for all older people.

Senator GRASSLEY. Well, I want to thank you, and particularly, I want to recognize the work you have done and the extent to which you have done work for the Federal program through particular grants, the extent to which I want to recognize that that research is very basic to our reauthorization, and to that standpoint, your good use of the public funds for our reauthorization and to see in the skin, in a sense, the person who has put those functions and the expenditure of that money to good use.

Thank you very much.

Dr. BINSTOCK. I thank you, Senator. I am glad to be able to help you see an extra portion of skin here on top of my head. (Laughter.)

I would only say that even as you are glad to see the public funds put to good use for the reauthorization, I hope that the reauthorization puts the public funds to good use so that we can continue our work through our Policy Center at Brandeis University.

Thank you.

Senator GRASSLEY. I would like to next introduce Adelaide Attard, our next witness. She is chairman of the Federal Council on Aging. She has also been an AAA director for a number of years and thus has considerable first-hand experience with targeting at the local level.

The Federal Council was established by section 204 of the Older Americans Act and is charged by the act with a variety of important responsibilities, not the least of which is to review and evaluate Federal policies and programs regarding the aging and to make recommendations on that improvement. As part of that responsibility, the Council has evaluated targeting policy under the act, and hence, we have invited them here to testify. The Council has also made several major recommendations for change in the administration of targeting, and I am glad that you will be able to tell us more about the Federal Council's proposals.

I note that you have your staff director, Ed Marcus, with you.

Ms. **Attard**. That is correct.

Senator **Grassley**. For the record, I would like to recognize you, and invite you to contribute whatever your boss decides you ought to contribute.

Mr. **Marcus**. Thank you, Senator.

Senator **Grassley**. Would you proceed, please?

STATEMENT OF ADELAIDE ATTARD, CHAIRPERSON, FEDERAL COUNCIL ON THE AGING, ACCOMPANIED BY ED MARCUS, STAFF DIRECTOR

Ms. **Attard**. Thank you, Senator Grassley, for the opportunity to appear before this subcommittee this morning. I am Adelaide Attard, as you said, chairperson of the Federal Council on the Aging. I am going to make some brief remarks. The full statement will be submitted, but in the interest of time, I have shortened my oral presentation.

The hearing, as you have said, has been called around the issue of targeting, as we look to the 1984 reauthorization of the Older Americans Act.

It is, perhaps, important to briefly look back at the legislative history of targeting under the Older Americans Act programs.

The 1978 amendments mandated a definition of "targeting" with the addition of language giving preference to those with greatest economic or social needs, and a mechanism for distributing title III funds from the State to the individual planning and services areas, commonly referred to as the intrastate funding formula. In addition, Congress also mandated in the 1978 amendments that the Federal Council on the Aging undertake a series of studies of issues and procedures concerning programs identified in the various titles of the act.

A study team composed of Federal Council staff and analysts from the Office of the Assistant Secretary for Planning and Evaluation of the Department of Health and Human Services was established to undertake the studies. The study team developed a list of analyses focusing on a wide variety of subjects, one of which was policies and program strategies for reaching those in greatest need.

As part of these activities, the Federal Council on the Aging asked Dr. Neal Cutler of the Andrus Gerontology Center of the University of Southern California to design a brief study focusing on the "greatest economic or social need targeting mandate. The study was completed in February 1981.

The final report, entitled "Approaches and Obstacles to the Definition of 'greatest economic or social need' " examined 18 State plans, looking at the service, the administration, the definition of need, and the intrastate funding formula presented in the plans. This study contained six recommendations concerning policy and numerous technical recommendations.

The first five recommendations were the basis of the recent deliberations of the council as we developed our approach to the 1984 Older Americans Act reauthorization. The sixth recommendation regarding additional analysis has been implemented already by the Administration on Aging. Two major studies were undertaken. One was a study to be done by the Bureau of Social Science Research, and the other was by Bob Binstock of Brandeis University.

The final study by the Council, including the six recommendations on targeting, was transmitted to Congress for use in the 1981 reauthorization of the Older Americans Act. However, the 1981 reauthorization made only—as you know—very minor changes and primarily extended the Older Americans Act programs for 3 more years.

In 1982, the Federal Council on the Aging established a committee on the 1984 reauthorization of the Older Americans Act. The committee has been working for some time now in anticipation of the 1984 reauthorization. Based on the work done for the Council by Dr. Cutler and others, the targeting of services under title III of the Older Americans Act was among the topics the committee examined. The Council has adopted draft recommendations regarding the upcoming reauthorization, which will be presented at a public forum at the Gerontological Society of America's annual meeting on the 21st of this month. We plan to listen to testimony there and then to transmit our final recommendations to the administration and to Congress by the end of this calendar year.

As you know, there has been a fundamental change from the past with respect to the role of the Federal Government. In the past, the trend has been for the Federal Government to have the responsibility for identifying the needs of the public, then to plan, fund, and monitor the programs designed to address those needs.

Based upon the principle that the well-being of the public is the responsibility of the individual, the family, and the community in which they live, New Federalism ideology seeks to expand the responsibility of State and local government for the planning and implementation of social services, while reducing the Federal role. In addition, there is strong support for the concept that when social services are needed, they are best defined and administered through public and private institutions at the level closest to the problem—specifically, the State and local governments, area agencies, and the local community-based and private voluntary organizations.

As you mentioned, I am the commissioner of the Nassau County Department of Senior Citizen Affairs, which is an area agency on aging, and we have found even on the county level that giving local towns, cities, and villages the ability to develop their own programs in response to their community needs has resulted in a much more creative, innovative, as well as responsive service approach network.

At a recent public hearing on our 4-year area plan, in accordance with the Older Americans Act, the director of senior services on a village level commented: "We appreciate the opportunity given us by the Department of Senior Citizen Affairs to establish our own criteria and design our own programs, because we are closest to the people and can respond to their needs in a more direct and meaningful way."

We on the Council feel that there should be an increased emphasis on directing available resources to those with clearly demonstrated needs and on placing the responsibility for defining that need as close to the individuals being served as possible.

In the year 1789, a philosopher-legislator by the name of Jeremy Benthan observed: "It is in vain to talk of the interest of the community without understanding what is the interest of the individual." We believe that local jurisdictions are in the best position to understand the interest of the individual.

Service programs based on broad categories of attributed need such as age alone are no longer fiscally feasible or adequately responsive to the needs of older persons. Underlying the diversity of older persons and their circumstances, certain factors have been identified as indicating possible vulnerability—income, race, education, health, and sex. Other factors, such as living alone or the general mortality rate in the geographic area, may also reflect vulnerability. The wide diversity among older persons and the great range in their needs calls for an approach to a service provision that allows for maximum flexibility and responsiveness to individual circumstances.

The Council feels it is virtually impossible for Federal legislation and regulation to be sufficiently specific to efficiently target resources and concurrently be adequately responsive to the needs of individuals in various communities. However, national priorities can and should be set to which local jurisdictions must be responsive within the context of their community needs and resources. It then becomes the responsibility for local forces to ascertain and insure appropriateness of actual service delivery. The 1978 amendments to the Older Americans Act began identifying these national priorities by giving preference in the provision of services under title III to those with the greatest economic or social need. In the 1978 amendments, each State plan was to include proposed methods of carrying out the preference for those most in need. This preference was to be expressed in an intrastate funding formula for the distribution of funding to the planning and service areas. Specifics of conceptual and arithmetic structure were left to the discretion of the individual States, resulting in a diverse array of formulas. This remained virtually unchanged in the 1981 amendments.

Community input into the defining of need is difficult since there is a lack of a clear process for review and comment on the intrastate funding formulas in the respective States. A national study of intrastate funding formulas recently completed by the Bureau of Social Science Research concluded that State discretion and flexibility, characteristics of these formulas, can be maintained, but that community participation can be significantly improved through the mandating of full disclosure on the development process of the intrastate funding formulas—a finding, of course, that was consistent with the earlier work by the Council that I have already mentioned.

The Council feels that a disclosure component added to the intrastate funding formula development process would strengthen the capacity of those who represent aging concerns to have impact on the defining of need in their State in a concrete way—by affecting the distribution of funds to address needs. This disclosure should include: One, the assumptions underlying the formula; two, the actual formula proposed; three, the data bases used; and four, a numerical demonstration of the outcomes of the proposed formula. Such a disclosure would provide information to interested parties on how the States' particular definition of need would affect funding to their communities.

The Council has draft recommendations regarding other issues in the Older Americans Act. However, I will refer here specifically only to those concerning targeting. The Council's draft recommendations with respect to targeting are: One, the inclusion of a disclosure component, including local reviews as a part of the intrastate funding formula requirement, and two, in the defining of greatest economic or social need, emphasis should be placed on service to low income, minority, female, rural, living alone, and/or disabied older persons within the parameters of local circumstances.

In the Council's final recommendations, we will include the specific language changes in the act. This will be transmitted to the President, the Secretary of Health and Human Services, the Assistant Secretary for Human Development Services, and, of course, the Commission on Aging, and to Congress.

The language changes will include those related to targeting as well as other recommendations that the Council has on the Older Americans Act.

Senator Grassley, this concludes my oral presentation. The Council welcomes this opportunity to share its views on targeting with the subcommittee, and I will be happy to respond to any questions you might have.

[The prepared statement of Ms. Attard follows:]

FEDERAL COUNCIL ON THE AGING
WASHINGTON, D.C. 20201

STATEMENT OF

ADELAIDE ATTARD

CHAIRPERSON, FEDERAL COUNCIL ON THE AGING

BEFORE THE SUBCOMMITTEE ON AGING
COMMITTEE ON LABOR AND HUMAN RESOURCES
UNITED STATES SENATE
NOVEMBER 15, 1983

SENATOR GRASSLEY, THANK YOU FOR THE OPPORTUNITY TO APPEAR BEFORE THIS SUBCOMMITTEE THIS MORNING. I AM ADELAIDE ATTARD, CHAIRPERSON OF THE FEDERAL COUNCIL ON THE AGING.

AUTHORIZED BY THE OLDER AMERICANS ACT, THE FEDERAL COUNCIL ON THE AGING HAS BEEN IN EXISTENCE FOR 10 YEARS. THIS 15 MEMBER BODY IS APPOINTED BY THE PRESIDENT, WITH THE ADVICE AND CONSENT OF THE SENATE AND ACTS AS AN ADVISORY BODY TO THE PRESIDENT, THE SECRETARY OF HEALTH AND HUMAN SERVICES, THE ASSISTANT SECRETARY FOR HUMAN DEVELOPMENT SERVICES, THE COMMISSIONER ON AGING, AND CONGRESS REGARDING THE SPECIAL CONCERNS OF THE OLDER POPULATION. THE COUNCIL HAS WIDE LATITUDE INCLUDING THE EVALUATION OF FEDERAL POLICIES AND PROGRAMS, COLLECTION AND DISSEMINATION OF INFORMATION, AND HOLDING HEARINGS OR PUBLIC MEETINGS AND SEMINARS REGARDING THE NEEDS AND PROBLEMS OF THE ELDER POPULATION. COUNCIL MEMBERS REPRESENT RURAL AND URBAN ELDERLY, NATIONAL AGING ORGANIZATIONS, BUSINESS, LABOR, AND THE GENERAL PUBLIC. STATUTORY REQUIREMENTS STIPULATE THAT AT LEAST 5 OF OUR MEMBERS BE OVER 65 YEARS OF AGE; CURRENTLY 6 OF OUR MEMBERS MEET THAT REQUIREMENT.

THIS HEARING HAS BEEN CALLED AROUND THE ISSUE OF TARGETING AS WE LOOK TO THE 1984 REAUTHORIZATION OF THE OLDER AMERICAN ACT. IT IS, PERHAPS, IMPORTANT TO BRIEFLY LOOK BACK AT THE LEGISLATIVE HISTORY OF TARGETING UNDER THE OLDER AMERICANS ACT PROGRAMS.

THE 1978 AMENDMENTS MANDATED A DEFINITION OF TARGETING WITH THE ADDITION OF LANGUAGE GIVING PREFERENCE TO THOSE "WITH GREATEST

ECONOMIC OR SOCIAL NEEDS," AND A MECHANISM FOR DISTRIBUTING TITLE III FUNDS FROM THE STATE TO THE INDIVIDUAL PLANNING AND SERVICES AREAS, COMMONLY REFERRED TO AS THE INTRASTATE FUNDING FORMULA. IN ADDITION, CONGRESS ALSO MANDATED IN THE 1978 AMENDMENTS THAT THE FEDERAL COUNCIL ON THE AGING UNDERTAKE A SERIES OF STUDIES OF ISSUES AND PROCEDURES CONCERNING PROGRAMS IDENTIFIED IN THE VARIOUS TITLES OF THE ACT. A STUDY TEAM COMPOSED OF FEDERAL COUNCIL STAFF AND ANALYSTS FROM THE OFFICE OF THE ASSISTANT SECRETARY FOR PLANNING AND EVALUATION OF THE DEPARTMENT OF HEALTH AND HUMAN SERVICES WAS ESTABLISHED TO UNDERTAKE THE STUDIES. THE STUDY TEAM DEVELOPED A LIST OF ANALYSES FOCUSING ON A WIDE VARIETY OF SUBJECTS, ONE OF WHICH WAS "POLICIES AND PROGRAM STRATEGIES FOR REACHING THOSE IN GREATEST NEED."

AS PART OF THESE ACTIVITIES, THE FEDERAL COUNCIL ON THE AGING ASKED DR. NEAL CUTLER OF THE ANDRUS GERONTOLOGY CENTER OF THE UNIVERSITY OF SOUTHERN CALIFORNIA TO DESIGN A BRIEF STUDY FOCUSING ON THE "GREATEST ECONOMIC OR SOCIAL NEED" TARGETING MANDATE. THE STUDY WAS COMPLETED IN FEBRUARY 1981.

THE FINAL REPORT ENTITLED "APPROACHES AND OBSTACLES TO THE DEFINITION OF 'GREATEST ECONOMIC OR SOCIAL NEED,'" EXAMINED 18 STATE PLANS, LOOKING AT THE SERVICE, ADMINISTRATION, DEFINITION OF NEED AND THE INTRASTATE FUNDING FORMULA PRESENTED IN THE PLANS.

THIS STUDY CONTAINED SIX RECOMMENDATIONS CONCERNING POLICY AND NUMEROUS TECHNICAL RECOMMENDATIONS. THE POLICY RECOMMENDATIONS WERE:

(1) THE ADMINISTRATION ON AGING SHOULD DEVELOP AND REQUIRE A DETAILED REPORTING FORMAT FOR THE INTRASTATE FUNDING FORMULA, TO BE INCLUDED IN EACH STATE PLAN.

(2) THE ADMINISTRATION ON AGING SHOULD REQUIRE EACH STATE PLAN TO INCLUDE AN EXPLICIT AND DETAILED STATEMENT OF THE CONCEPTUAL AND OPERATIONAL DEFINITIONS BY WHICH THE MANDATED TARGET OF GREATEST ECONOMIC OR SOCIAL NEED IS TRANSLATED INTO THE INTRASTATE FUNDING FORMULA.

(3) THE ADMINISTRATION ON AGING SHOULD REQUIRE STATES TO OPENLY AND EXPLICITLY REPORT THEIR SEVERAL ASSUMPTIONS AND REASONS FOR MAKING DECISIONS CONCERNING THE ELEMENTS OF THE OPERATIONAL DEFINITION OF THE INTRASTATE FUNDING FORMULA.

(4) THE ADMINISTRATION ON AGING SHOULD REQUIRE EACH STATE PLAN TO INCLUDE THE "RAW" PLANNING AND SERVICE AREA POPULATION DATA TO BE USED BY THE INTRASTATE FUNDING FORMULA, THE WEIGHTED POPULATION DATA COMPUTED FOR EACH PLANNING AND SERVICE AREA, AND THE RESULTANT DOLLAR ALLOCATION FOR EACH PLANNING AND SERVICE AREA BY THE INTRASTATE FUNDING FORMULA.

(5) THE ADMINISTRATION ON AGING SHOULD STRENGTHEN THE REQUIREMENT FOR PUBLIC HEARINGS FOCUSING ON THE INTRASTATE FUNDING FORMULA, AND SHOULD REQUIRE MORE DETAILED REPORTING ON THE CONTENT OF THOSE HEARINGS IN THE FINAL STATE PLAN DOCUMENT.

(6) GIVEN THE SIGNIFICANT AND SUBSTANTIAL FINANCIAL RESOURCES ALLOCATED THROUGH THE INTRASTATE FUNDING FORMULA, THE ADMINISTRATION ON AGING SHOULD ALLOCATE RESEARCH AND EVALUATION FUNDS FOR THE ANALYSIS OF THE CONCEPTUAL AND OPERATIONAL DEFINITIONS OF GREATEST ECONOMIC OR SOCIAL NEED.

THE FIRST FIVE RECOMMENDATIONS WERE THE BASIS OF RECENT DELIBERATIONS OF THE COUNCIL AS WE DEVELOPED OUR APPROACH TO THE 1984 OLDER AMERICANS ACT REAUTHORIZATION.

THE SIXTH RECOMMENDATION, REGARDING ADDITIONAL ANALYSIS, HAS BEEN IMPLEMENTED BY THE ADMINISTRATION ON AGING. TWO MAJOR STUDIES WERE UNDERTAKEN. ONE STUDY WAS DONE BY THE BUREAU OF SOCIAL SCIENCE RESEARCH AND THE OTHER BY ROBERT BINSTOCK OF BRANDEIS UNIVERSITY.

THE FINAL STUDY BY THE COUNCIL, INCLUDING THE SIX RECOMMENDATIONS ON TARGETING, WAS TRANSMITTED TO CONGRESS FOR USE IN THE 1981 REAUTHORIZATION OF THE OLDER AMERICANS ACT. HOWEVER, THE 1981 REAUTHORIZATION MADE ONLY MINOR CHANGES AND PRIMARILY EXTENDED THE OLDER AMERICANS ACT PROGRAMS FOR THREE MORE YEARS.

IN 1982, THE FEDERAL COUNCIL ON THE AGING ESTABLISHED A COMMITTEE ON THE 1984 REAUTHORIZATION OF THE OLDER AMERICANS ACT. THIS COMMITTEE HAS BEEN WORKING FOR SOME TIME NOW IN ANTICIPATION OF THE 1984 REAUTHORIZATION. BASED ON THE WORK DONE FOR THE COUNCIL BY DR. CUTLER AND OTHERS, THE TARGETING OF SERVICES UNDER TITLE III OF THE OLDER AMERICANS ACT WAS AMONG THE TOPICS THE COMMITTEE EXAMINED. THE COUNCIL HAS ADOPTED DRAFT RECOMMENDATIONS REGARDING THE UPCOMING REAUTHORIZATION WHICH WILL BE PRESENTED AT A PUBLIC FORUM AT THE GERONTOLOGICAL SOCIETY OF AMERICA'S ANNUAL MEETING ON THE 21ST OF THIS MONTH. WE PLAN TO TRANSMIT OUR FINAL RECOMMENDATIONS TO THE ADMINISTRATION AND TO CONGRESS BY THE END OF THIS CALENDAR YEAR.

AS YOU KNOW, THERE HAS BEEN A FUNDAMENTAL CHANGE FROM THE PAST WITH RESPECT TO THE ROLE OF THE FEDERAL GOVERNMENT. IN THE PAST, THE TREND HAS BEEN FOR THE FEDERAL GOVERNMENT TO HAVE THE RESPONSIBILITY FOR IDENTIFYING THE NEEDS OF THE PUBLIC, THEN TO PLAN, FUND, AND MONITOR THE PROGRAMS DESIGNED TO ADDRESS THOSE NEEDS.

BASED UPON THE PRINCIPLE THAT THE WELL-BEING OF THE PUBLIC IS THE RESPONSIBILITY OF THE INDIVIDUAL, THE FAMILY, AND THE COMMUNITY IN WHICH THEY LIVE, NEW FEDERALISM IDEOLOGY SEEKS TO EXPAND THE RESPONSIBILITY OF STATE AND LOCAL GOVERNMENT FOR THE PLANNING AND IMPLEMENTATION OF SOCIAL SERVICES, WHILE REDUCING THE FEDERAL ROLE. IN ADDITION, THERE IS STRONG SUPPORT FOR THE CONCEPT THAT WHEN SOCIAL SERVICES ARE NEEDED, THEY ARE BEST DEFINED AND ADMINISTERED THROUGH PUBLIC AND PRIVATE INSTITUTIONS AT THE LEVEL CLOSEST TO THE PROBLEM -- SPECIFICALLY, THE STATE AND LOCAL GOVERNMENTS, AREA AGENCIES, AND THE LOCAL COMMUNITY-BASED AND PRIVATE VOLUNTARY ORGANIZATIONS.

WE ON THE COUNCIL FEEL THAT THERE SHOULD BE AN INCREASED EMPHASIS ON DIRECTING AVAILABLE RESOURCES TO THOSE WITH CLEARLY DEMONSTRATED NEED AND ON PLACING THE RESPONSIBILITY FOR DEFINING THAT NEED AS CLOSE TO THE INDIVIDUALS BEING SERVED AS POSSIBLE. SERVICE PROGRAMS BASED ON BROAD CATEGORIES OF ATTRIBUTED NEED, SUCH AS AGE ALONE, ARE NO LONGER FISCALLY FEASIBLE OR ADEQUATELY RESPONSIVE TO THE NEEDS OF OLDER PERSONS.

MOST OLDER PERSONS ARE HEALTHY, ACTIVE, AND INVOLVED WITH THEIR FAMILIES AND COMMUNITY. FOR THESE INDIVIDUALS WITH WIDELY VARIED INTERESTS AND CONCERNS, OPPORTUNITIES ARE NEEDED TO ALLOW AND ENCOURAGE PARTICIPATION IN THE MAINSTREAM OF COMMUNITY LIFE.

PRESUMING THAT THESE INDIVIDUALS ARE NO LONGER CAPABLE OF FUNCTIONING IN SOCIETY WHEN THEY REACH AGE 60 OR 65 DENIES THEIR HUMANITY AND DENIES SOCIETY AN IMMEASURABLE POOL OF CAPABILITIES AND HUMAN RESOURCES.

THE COUNCIL WAS VERY CAREFUL TO EMPHASIZE THE POINT THAT WHILE THE MAJORITY OF OLDER PERSONS FUNCTION ADEQUATELY ON A DAY-TO-DAY BASIS, THERE ARE INDIVIDUALS WHO HAVE BECOME FRAIL AND, THEREFORE, VULNERABLE AND NEED SPECIAL ATTENTION. THE VARIOUS ELEMENTS WHICH CONTRIBUTE TO THIS VULNERABILITY DIFFER WIDELY FROM INDIVIDUAL TO INDIVIDUAL AND FROM ONE GEOGRAPHIC AREA TO ANOTHER.

UNDERLYING THE DIVERSITY OF OLDER PERSONS AND THEIR CIRCUMSTANCES, CERTAIN FACTORS HAVE BEEN IDENTIFIED AS INDICATING POSSIBLE VULNERABILITY--INCOME, RACE, EDUCATION, HEALTH, AND SEX. OTHER FACTORS, SUCH AS LIVING ALONE OR THE GENERAL MORTALITY RATE IN THE GEOGRAPHIC AREA, MAY ALSO REFLECT VULNERABILITY. THE WIDE DIVERSITY AMONG OLDER PERSONS AND THE GREAT RANGE IN THEIR NEEDS CALLS FOR AN APPROACH TO SERVICE PROVISION THAT ALLOWS FOR MAXIMUM FLEXIBILITY AND PROVIDES RESPONSIVENESS TO INDIVIDUAL CIRCUMSTANCES.

THE COUNCIL FEELS IT IS VIRTUALLY IMPOSSIBLE FOR FEDERAL LEGISLATION AND REGULATION TO BE SUFFICIENTLY SPECIFIC TO EFFICIENTLY TARGET RESOURCES AND, CONCURRENTLY, BE ADEQUATELY

RESPONSIVE TO THE NEEDS OF INDIVIDUALS IN VARIOUS COMMUNITIES. HOWEVER, NATIONAL PRIORITIES CAN AND SHOULD BE SET TO WHICH LOCAL JURISDICTIONS MUST BE RESPONSIVE WITHIN THE CONTEXT OF THEIR COMMUNITY NEEDS AND RESOURCES. IT THEN BECOMES A RESPONSIBILITY FOR LOCAL FORCES TO ASCERTAIN AND ENSURE APPROPRIATENESS OF ACTUAL SERVICE DELIVERY. THE 1978 AMENDMENTS TO THE OLDER AMERICANS ACT BEGAN IDENTIFYING THESE NATIONAL PRIORITIES BY GIVING PREFERENCE IN THE PROVISION OF SERVICES UNDER TITLE III TO THOSE "WITH THE GREATEST ECONOMIC OR SOCIAL NEED."

IN THE 1978 AMENDMENTS, EACH STATE PLAN WAS TO "INCLUDE PROPOSED METHODS OF CARRYING OUT THE PREFERENCE" FOR THOSE MOST IN NEED. THIS PREFERENCE WAS TO BE EXPRESSED IN AN INTRASTATE FUNDING FORMULA FOR THE DISTRIBUTION OF FUNDING TO THE PLANNING AND SERVICE AREAS. SPECIFICS OF CONCEPTUAL AND ARITHMETIC STRUCTURE WERE LEFT TO THE DISCRETION OF THE INDIVIDUAL STATES, RESULTING IN A DIVERSE ARRAY OF FORMULAS. THIS REMAINED VIRTUALLY UNCHANGED IN THE 1981 AMENDMENTS.

COMMUNITY INPUT INTO THE DEFINING OF NEED IS DIFFICULT SINCE THERE IS A LACK OF A CLEAR PROCESS FOR REVIEW AND COMMENT ON THE INTRASTATE FINDING FORMULAS IN THE RESPECTIVE STATES. A NATIONAL STUDY OF INTRASTATE FUNDING FORMULAS, RECENTLY COMPLETED BY THE BUREAU OF SOCIAL SCIENCE RESEARCH, CONCLUDED THAT STATE DISCRETION AND FLEXIBILITY CHARACTERISTICS OF THESE FORMULAS CAN BE MAINTAINED, BUT THAT COMMUNITY PARTICIPATION CAN BE SIGNIFICANTLY IMPROVED THROUGH THE MANDATING OF FULL DISCLOSURE

ON THE DEVELOPMENT PROCESS OF THE INTRASTATE FUNDING FORMULAS, A FINDING CONSISTENT WITH THE EARLIER WORK BY THE COUNCIL THAT I HAVE ALREADY MENTIONED.

THE COUNCIL FEELS THAT A DISCLOSURE COMPONENT ADDED TO THE INTRASTATE FUNDING FORMULA DEVELOPMENT PROCESS WOULD STRENGTHEN THE CAPACITY OF THOSE WHO REPRESENT AGING CONCERNS TO HAVE IMPACT ON THE DEFINING OF NEED IN THEIR STATE IN A CONCRETE WAY -- BY AFFECTING THE DISTRIBUTION OF FUNDS TO ADDRESS NEEDS. THIS DISCLOSURE SHOULD INCLUDE: (1) THE ASSUMPTIONS UNDERLYING THE FORMULA; (2) THE ACTUAL FORMULA PROPOSED; (3) THE DATA BASES USED; AND (4) A NUMERICAL DEMONSTRATION OF THE OUTCOMES OF THE PROPOSED FORMULA. SUCH A DISCLOSURE WOULD PROVIDE INFORMATION TO INTERESTED PARTIES ON HOW THE STATES PARTICULAR DEFINITION OF NEED WOULD AFFECT FUNDING TO THEIR COMMUNITY.

THE COUNCIL HAS DRAFT RECOMMENDATIONS REGARDING OTHER ISSUES IN THE OLDER AMERICANS ACT; HOWEVER, I WILL REFER ONLY TO THOSE CONCERNING TARGETING. THE COUNCIL'S DRAFT RECOMMENDATIONS WITH RESPECT TO TARGETING ARE:

C THE INCLUSION OF A DISCLOSURE COMPONENT INCLUDING LOCAL REVIEWS AS A PART OF THE INTRASTATE FUNDING FORMULA REQUIREMENT; AND, O IN THE DEFINING OF GREATEST ECONOMIC OR SOCIAL NEED, EMPHASIS SHOULD BE PLACED ON SERVICE TO LOW INCOME, MINORITY, FEMALE, RURAL, LIVING ALONE, AND/OR DISABLED OLDER PERSONS WITHIN THE PARAMETERS OF LOCAL CIRCUMSTANCES.

IN THE COUNCIL'S FINAL RECOMMENDATIONS WE WILL INCLUDE THE SPECIFIC LANGUAGE CHANGES IN THE ACT. THIS WILL BE TRANSMITTED TO THE PRESIDENT, THE SECRETARY OF HEALTH AND HUMAN SERVICES, THE ASSISTANT SECRETARY FOR HUMAN DEVELOPMENT SERVICES, THE U.S. COMMISSIONER ON AGING AND TO CONGRESS, INCLUDING, OF COURSE, THIS SUBCOMMITTEE. THE LANGUAGE CHANGES WILL INCLUDE THOSE RELATED TO TARGETING AS WELL AS OTHER RECOMMENDATIONS THAT THE COUNCIL HAS ON THE OLDER AMERICANS ACT.

MR. CHAIRMAN, THIS CONCLUDES MY PREPARED REMARKS. THE FEDERAL COUNCIL ON THE AGING WELCOMES THIS OPPORTUNITY TO SHARE ITS VIEWS ON TARGETING WITH THIS SUBCOMMITTEE. I WILL BE HAPPY TO RESPOND TO ANY QUESTIONS YOU MAY HAVE.

Senator **Grassley**. Thank you very much. I do have a few questions. I appreciate your being here and also appreciate the responsibilities and also the experience you have on the local level, because I think it is at that point that success is going to be tested and that is what we want to do is deal with the people at the local level as best we can.

Are we here in the Congress in a position of having to accept as our goal for targeting whatever is the outcome of State and local targeting activities because it is not possible to define acceptable national goals for targeting?

Ms. **Attard**. I think that Congress would best be served by listening to the local community—the State and local area. We are not saying specifically just the area agency level. We are saying absolutely that the State level needs to be included in determining the focus of the services in that State.

Senator **Grassley**. But I think the strong point in your testimony was that it would be very difficult and probably not very successful if we tried to be too strict here at the Federal level in our definition.

Ms. **Attard**. Yes. I think if you become very strict in the definition on the Federal level, it ends up with taking from one group to give to another.

Senator **Grassley**. Now, I know on this next point you could write a book on this subject because of your experience, so I would ask you to explain as briefly as you can how an AAA targets its resources to the most needy.

Ms. **Attard**. Well, you do it in a variety of ways. First of all, by collecting the appropriate data that does tell you where the pockets of poverty are, the pockets of minority are, and target your resources to that. I think a very good example of how that does occur on the local level was how we handled the title VII money. When that came down—and it came down in pretty much of a rush to get it spent and get service established—and what we did in our area, and I know this happened in many other areas in the country, is we went to our data and established where the isolated elderly were, where the minority population lived, and where those in the low-income levels were, and that was where we established our nutrition sites. So that we were bringing those services to those communities that we felt needed it most, and did our specific outreach to that population.

Senator **Grassley**. Do you run into a lot of local pressures—I mean, not only you as an individual, but AAA's generally—with respect to targeting, and if you do, how do you deal with it?

Ms. **Attard**. Well, you have a variety of pressures, not just on targeting, but you have a variety of community organizations who are presenting their special interests, and there is a certain amount of responsiveness to that in terms of the priorities that you have established for your overall programs. I do not know how else to put it, except that there is a responsiveness to the need in the community. You measure the percentage of individuals who are below the poverty level, and you measure the amount of money expended, and make certain that a certain amount of money is being expended to your targeted groups.

Senator **Grassley**. Admitting on my part that the term "pressure" is very nebulous but maybe we have a common understanding of it, would you say that in regard to almost every decision like that that there are some sort of pressures that must be considered, or it is in a minority of the cases.

Ms. **Attard**. There is almost always pressure in every decision that you are going to be making, and if you have a community in which there is the dialog that needs to take place—the forces on the advisory council and other organizations and groups—there is a free flow of dialog, and the pressure comes through that.

Senator **Grassley**. Do you think that these pressures seriously impede your ability to successfully target to the most needy in local communities?

Ms. **Attard**. No. The pressures are a necessary component for making some wise decisions—hopefully, wise decisions. I mean, the pressures are a part of our society. They are a part of our democratic system and they need to exist in order for there to be a responsiveness.

Senator **Grassley**. I would say that you are probably generally familiar with the position on targeting taken by the National Minority Aging Organization. I would like to have you comment on that.

Ms. **Attard**. Yes. I certainly understand their position, and if I were part of one of those organizations I would certainly be taking the stand I think that they take at this point. But my feeling is that you have representation of those groups on the local level; you have them on the State level. It becomes important that that advocacy take place on that local level, because that is where it is going to happen, and the national organizations need to be in a position to give the type of technical assistance locally that will have an effect on that local level.

Senator **Grassley**. How many minorities do you serve in your planning and services areas?

Ms. **Attard**. We are serving a higher percentage of the minority than they appear in the population. In our county, we have about a 5.35-percent minority elderly population. In our programs, we are projecting serving 49.5 percent of the minority elderly population, which is 7.5 percent of all elderly that we serve.

Senator **Grassley**. Are you satisfied that your data-gathering and reporting methods are capable of reflecting what proportions of economically and socially disadvantaged people you are serving?

Ms. **Attard**. Our data-gathering methods are good, but I am never really totally satisfied. I mean, even if you take the census figures, we know that they are not reflecting some of the population that is in the community. Much of that comes about in the community dialog, and we have what we call senior community service centers, located in the community. It becomes their responsibility to alert us to the populations in their local communities, since they know it well, and then we will make our outreach efforts in combination with the local community.

Senator **Grassley**. What are your views on the descriptors of economic and social needs included in the AOA regulations? And I guess while you are commenting on that, I would like to ask you if they adequately describe the need and the extent to which they differ from the recommendations from the Federal Council.

Ms. ATTARD. Could you be a little more specific in terms of what the descriptors are that you are referring to in the regulations?

Senator GRASSLEY. That is the description of "socially and economically disadvantaged."

Ms. ATTARD. Yes. We do not have a further breakdown of that.

Senator GRASSLEY. OK. The regulations from March 31, 1980: "Greatest economic need means the need resulting from an income level at or below the poverty threshold established by the Bureau of Census." It then goes on to say, "Greatest social need means the need caused by noneconomic factors which include physical and mental disabilities, language barriers"——

Ms. ATTARD. Yes. Of course, in a county like ours, the poverty-level statistics are really not sufficient to take into account the cost of living, or even in other suburban areas, in the State of New York, so that we sometimes make adjustments in terms of what is actually a poverty-level individual in our county—125 percent is used in certain cases, on a program-by-program basis.

As far as the regulation on the socially disadvantaged is concerned I believe that the existing descriptor is an acceptable guideline.

Senator GRASSLEY. Now, could you also, then, comment on the extent to which these definitions here—and you stated your agreement or to what extent you disagree—the extent to which they differ from your Federal Council's proposals for amendments to the act?

Ms. ATTARD. We really have not broken down the specific language in terms of the regulations.

Senator GRASSLEY. Am I right in assuming that you will be doing that, or don't you anticipate—you do not anticipate making any specific recommendations in this area, then?

Ms. ATTARD. No, not in that specific language as far as the guidelines are concerned; no. It was on the Act itself.

Senator GRASSLEY. Let me ask staff if we had reason to believe you were going to. [Conferring with staff.]

OK. I want to refer back to the last page of your testimony, then——

Ms. ATTARD. I know where you are—on the defining of "greatest economic or social need" and the emphasis.

Senator GRASSLEY. Yes, yes.

Ms. ATTARD. What we are talking about there is in the State Plans, where we are asking for the State definitions and for their emphasis in their plans, we are saying that that is the place that we would like to see the emphasis on social need, service to the low-income, the minority, the female, the rural, and the living alone, and of course, to have that included in the disclosure on the IFF's.

Senator GRASSLEY. So the emphasis, as opposed to changing the substance of the law, would be the extent to which it is given greater weight at the local and State level, and further clarification at the local and State levels, both as far as administering the services, as well as reporting back?

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Ms. **Attard**. That is correct. That is the basis of the Federal Council's position.

Senator **Grassley**. OK. Those are all the questions I have. I want to thank you very much for your participation, and look forward to working with you as you give your more specific recommendations, and may find occasion after January 23 to have you back here to go into greater depth on them.

Ms. **Attard**. We would be very happy to do that.

Thank you.

[The following was received for the record:]

FEDERAL COUNCIL ON THE AGING
WASHINGTON, D.C. 20201

DEC 14 1983

December 9, 1983

The Honorable Charles E. Grassley
United States Senate
Washington, DC 20510

Dear Senator Grassley:

Thank you for your letter of December 2, 1983 regarding the possible federal level options identified by Dr. Robert Binstock in his testimony.

As I indicated in the testimony that I presented for the Council at your Subcommittee hearing on November 15, we believe that targeting is most desirable and appropriate when determined at the state and local levels.

The three sets of federal policy options that seem to have high potential for the economically needy do not have the same potential when applied to the socially needy. We would agree with Dr. Binstock's analysis on page 21 of his testimony, where he points out that, "Finally, it should be noted that efforts to target to a variety of social policy goals within a single jurisdiction--national, state, or local in scope--may cancel each other out." Furthermore, we also agree with Dr. Binstock's views that current legislation allows targeting to occur; that there are a number of practicable options for enhancing targeting already; and that these options do not require drastic changes in the present legislation.

With the foregoing in mind, the Council feels that targeting goals would be most appropriately served by the inclusion of a disclosure and local review component as part of the Intrastate Funding Formula requirement of the Older Americans Act. This recommendation was made in our testimony given at the November 15 hearing.

Thank you for the opportunity to comment on these issues.

Sincerely,

Adelaide Attard
Chairperson

Senator **Grassley**. I would invite each of the first panel, Karen Tynes, Russ Moran, and Bill Moyer, to come at this time. The individuals that we have invited to testify will be able to give us the perspective of each of the levels of the Older Americans Act structure which are involved in the administration of targeting.

Karen Tynes is the executive director of the Iowa Commission—she is obviously a constituent of mine, and I am very pleased to welcome her here.

Russ Moran is here representing the National Association of AAA's, and you are an AAA Director in Massachusetts.

Mr. **Moran**. That is correct, Senator.

Senator **Grassley**. And Bill Moyer is the president of the National Association of Nutrition and Aging Services programs and directs a program which includes both congregate and home-delivered meals, and you are from the State of Washington.

Mr. **Moyer**. That is right, Senator.

Senator **Grassley**. I would like to have you proceed in the order in which I introduced you, and again, ask you to summarize each of your statements.

Proceed.

STATEMENT OF KAREN L. TYNES, EXECUTIVE DIRECTOR, IOWA COMMISSION ON AGING; RUSS MORAN, EXECUTIVE DIRECTOR, ELDER SERVICES OF MERRIMACK VALLEY, INC., AND MEMBER, BOARD OF DIRECTORS, NATIONAL ASSOCIATION OF AREA AGENCIES ON AGING; AND WILLIAM R. MOYER, PRESIDENT, NATIONAL ASSOCIATION OF NUTRITION AND AGING SERVICES PROGRAMS, SEATTLE, WASH.

Ms. **Tynes**. Thank you, Senator.

I am pleased to be here today before you on the reauthorization of the Older Americans Act, on the issue of targeting, not only as the director of the State unit in Iowa, as one of your constituents, but also wearing a second hat, and that is, reading a position paper as a member of the National Association of State Units on Aging, on the issue of targeting.

Senator **Grassley**. Now, I misunderstood what you said.

Ms. **Tynes**. I am wearing two hats today, very related hats. One, as the director of the State Unit on Aging in Iowa; the other, as a member of the National Association of State Units on Aging. As a member of NASUA, I will be reading a position paper from NASUA.

Senator **Grassley**. Thank you. Go ahead.

Ms. **Tynes**. As you hear testimony from many witnesses on the reauthorization of the Older Americans Act, the common bond of all interested parties will be their concern for preserving the act in a manner that will address the broadest range of needs of this Nation's elderly in a cost-effective and efficient manner while guaranteeing our elders a life of dignity. When we consider the issue of targeting, we must remain sensitive to this concern.

It has been my experience in working with seniors that fear of loss of independence is one of their greatest fears. As their resources diminish due to escalating health care costs, utility costs, costs of living in general, they become fearful that they will be forced to live on welfare, that they will live and die without dignity.

The issue of targeting may be a sensitive issue for the administration and administrators, the policymakers and taxpayers. But targeting is of greatest concern to the seniors themselves.

When we address the issue of targeting, we are addressing two primary issues: (1) The characteristics of the client population to be served under the Older Americans Act; and (2) the types of services to be provided under the Older Americans Act.

The regulations to the Older Americans Act currently target the elderly population to be served as those with the greatest social and economic need. Some interest groups are proposing that a means test be adopted with the reauthorization of the act to identify seniors with the greatest economic need. I feel this would reduce the Older Americans Act programs to a welfare status, thus forcing the realization of the fears of many seniors.

My colleagues and I are opposed to means testing as a way of identifying those with the greatest economic need. Not only would this be demeaning to the elderly, but it would change the intent of the Older Americans Act. Means testing would also lead to eligibility determination and sliding fee scales for services which will ultimately increase the cost of administering and monitoring these programs.

Means testing will certainly change the voluntary contribution rate in all States. But in a State like Iowa, which receives only 1.4 percent of the Administration on Aging funds available and 19.8 percent of our funds in Iowa for the delivery of elderly services come from client contributions, we would realize a drastic decrease in the capacity of our aging programs to address the needs of our very rural population. According to the Administration on Aging, the national data base indicates that contributions average 10.1 percent of total service dollars throughout the United States. Means testing is also likely to reduce other nonparticipant supports. In Iowa, this amounts to 23.67 percent of our funding for elderly services. Nowhere is this kind of partnership exemplified as it is between the Older Americans Act and the seniors and communities it serves.

Nationally, there has been a problem determining the meaning of "social needs." The Administration on Aging has been in a position to provide guidance to State Units on Aging on this issue. Congress is now in a position to define "social need" in the reauthorization of the Older Americans Act. However, consideration should be given throughout the act and the subsequent regulations providing guidance for its implementation to the maintenance of state and local flexibility in implementation of this definition. Many problems of the elderly are not directly related to income, but rather, relate to the unavailability of services.

The type of services to be provided with Administration on Aging funding has always been a local decision endorsed by the State and should continue to be so. The current process of identifying needs of the elderly, planning and coordinating services to address those needs, soliciting local funds to help support aging services, is best done at the local level. If funds are targeted at specific services, the capacity for the Administration on Aging funds to be utilized as a magnet to attract other funds will be diminished.

As it is currently written, the Older Americans Act provides an opportunity for States to coordinate efforts with agencies administering means tested services, such as medicaid and the block-granted social services. The aging funds are able to assist elderly persons who live slightly above poverty guidelines and to fill the gap with the wide variety of services needed by various individuals. If the act requires a means test, or if services are restricted to a few nationally perceived priorities, then this opportunity for serving as a safety net for the near needy will also be lost.

In Iowa, funds are allocated to each planning and service area based on an intrastate funding formula. There are many ways area agencies on aging can be responsive to the intrastate funding formula. One way would be to indicate the client characteristics, and numbers of the elderly population proposed to be served per service in the area plan and its annual updates for approval by the State unit. Accountability can take place by merely requiring the area agency on aging to report, on a regular basis, the characteristics of the elderly population per service that have been served during that report period. It is the State units' responsibility to monitor those targeting activities. Thus, flexibility is preserved with full accountability.

In the reauthorization of the Older Americans Act, language should be included to encourage the targeting of programs, services, and resources at the socially and economically needy without specific income eligibility. Targeted groups should include persons in long-term care institutions who are able to return to an independent setting, home-based older persons, persons with limited mobility, those having economic disadvantages, and social minorities. Those with the greatest economic and social needs can certainly be identified through the assessment and case management process.

With the reauthorization, Congress should review the definition of "greatest social need and economic need." Measures should be taken to expand and clearly define these terms to allow flexibility, with guidance to States and area agencies on aging. On the issue of targeting, focus should not be on narrowing eligibility at the Federal level. Focus should be on the monitoring and accountability of States and area agencies on aging.

Thus concludes my testimony from the Iowa Commission on Aging and the Iowa Aging Network.

And now, the position paper by the National Association of State Units on Aging.

The National Association of State Units on Aging welcomes this opportunity to present its views on the targeting provisions of the Older Americans Act. We applaud the subcommittee's decision to convene a hearing on this critical issue of who is served by the advocacy, service system development and service activities of the older Americans network.

NASUA believes that in the planning, funding, designing, and locating of services and in carrying out related outreach, screening, and assessment activities, that State and area agencies should be required to give priority to meeting the needs of minority, low-income, limited English-speaking, seriously impaired and isolated older persons. Intrastate funding formulas should include low-income, minority and limited English-speaking factors. These requirements should be implemented with enforceable Federal and State regulations and program instructions which include appropriate reporting requirements at the area, State, and Federal levels.

We also support the Federal Council on Aging's recommendation on requirements for the presentation of the State's intrastate funding formula for public review and comment. The association also believes that the affirmative action requirements proposed for deletion from the current OAA title III regulations should be made statutory provisions. Likewise, we believe that State and area agency advisory councils should include adequate representatives from the targeted population outlined above.

NASUA has and continues to believe that serving the needs of America's minority elderly is an absolutely central mission facing the aging network. We also believe that continued and intensified efforts must be undertaken in the areas of affirmative action, minority contracting, program accessibility, and services targeting in order for the network to truly fulfill its responsibility to the minority aged.

Because of these commitments, NASUA recognizes the importance of the U.S. Civil Rights Commission's recent report emphasizing the importance of this issue and underscoring the need for additional progress. We viewed the publication of this report as an occasion for the aging network to reaffirm its goal of increasing involvement of minorities in aging services and redouble its specific efforts to achieve that goal.

In conjunction with the National Association of Area Agencies on Aging, we established earlier this year a joint task force on minority aging services and employment. This task force has had meetings with representatives from the four national aging minority organizations to discuss ideas for effective action in this area. Early in the new year, the task force and the boards of the two associations will issue a statement of principles and action steps to encourage intensified efforts in the areas of affirmative action, minority contracting, program accessibility, and service targeting.

In closing, we would urge this subcommittee, when considering these critical issues, to address strategies which are both administratively feasible and consistent with the primary thrust of the Older Americans Act—that is, to work toward the establishment of a comprehensive, complex, and coordinated service system that encompasses individual client needs, individual client preferences, the efficient delivery of quality services, the promotion of family and informal support and an adequate investment of public resources. In carrying out this mission, it is imperative that the network focus its attention on serving the frail, particularly those in most danger of losing their independence. At the same time, we do not believe that the statute or regulations should specify a quota for services to any of the target groups comprising the frail and vulnerable population. It is within this context that we believe the issue of targeting needs to be addressed during the 1984 reauthorization of the Older Americans Act.

Thank you, Mr. Chairman.

Senator **Grassley**. Thank you, Karen.

[The prepared statements of Ms. Tynes representing the State Unit on Aging In Iowa and the National Association of State Units on Aging and responses to questions of Senator Grassley follow:]

TESTIMONY BEFORE THE
SENATE SUBCOMMITTEE ON AGING
ON
"TARGETING SCARCE RESOURCES UNDER THE OLDER AMERICANS ACT"

BY

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NOVEMBER 15, 1983

SENATOR GRASSLEY AND DISTINGUISHED MEMBERS OF THE SENATE SUBCOMMITTEE ON AGING:

I AM KAREN L. TYNES, EXECUTIVE DIRECTOR OF THE IOWA COMMISSION ON THE AGING. THE COMMISSION IS ONE OF 57 STATE UNITS ON AGING DESIGNATED BY GOVERNORS AND THE STATE LEGISLATURES TO ADMINISTER THE OLDER AMERICANS ACT PROGRAMS AND TO SERVE AS FOCAL POINTS FOR ALL MATTERS RELATING TO THE NEEDS OF OLDER PERSONS WITHIN THE STATE.

I AM PLEASED TO HAVE THIS OPPORTUNITY TO APPEAR BEFORE YOU AS YOU PREPARE FOR THE REAUTHORIZATION OF THE OLDER AMERICANS ACT.

AS YOU HEAR TESTIMONY FROM MANY WITNESSES ON THE REQUTHORIZATION OF THE OLDER AMERICANS ACT, THE COMMON BOND OF ALL INTERESTED PARTIES WILL BE THEIR CONCERN FOR PRESERVING THE ACT IN A MANNER THAT WILL ADDRESS THE BROADEST RANGE OF NEEDS OF THIS NATION'S ELDERLY IN A COST EFFECTIVE AND EFFICIENT MANNER WHILE GUARANTEEING OUR ELDERS A LIFE OF DIGNITY. WHEN WE CONSIDER THE ISSUE OF "TARGETING", WE MUST REMAIN SENSITIVE TO THIS CONCERN. IT HAS BEEN MY EXPERIENCE IN WORKING WITH SENIORS THAT FEAR OF LOSS OF INDEPENDENCE IS ONE OF THEIR GREATEST FEARS. AS THEIR RESOURCES DIMINISH DUE TO ESCALATING HEALTH CARE COSTS; UTILITY COSTS; COSTS O LIVING IN GENERAL, THEY BECOME FEARFUL THAT THEY WILL BE FORCED TO "LIVE ON WELFARE", THAT THEY WILL LIVE AND DIE WITHOUT DIGNITY.

THE ISSUE OF TARGETING MAY BE A SENSITIVE ISSUE FOR THE ADMINISTRATION AND ADMINISTRATORS; TO POLICY MAKERS AND TAXPAYERS. BUT, TARGETING IS OF GREATEST CONCERN TO THE seniors themselves.

When we address the issue of targeting we are addressing two primary issues:

1) The characteristics of the client population to be served under the Older Americans Act.
2) The types of services to be provided under the Older Americans Act.

The regulations to the Older Americans Act currently target the elderly population to be served as those with the greatest social and economic need. Some interest groups are proposing that a means test be adopted with the reauthorization of the Act to identify seniors with the greatest economic need. I feel this would reduce the Older Americans Act programs to a welfare status thus forcing the realization of the fears of many seniors.

My collegues and I are opposed to means testing as a way of identifying those with the greatest economic need. Not only would this be demeaning to the elderly, but it would change the intent of the Older Americans Act. Means testing would also lead to eligibility determination and sliding fee scales for services which will ultimately increase the cost of administering and monitoring these programs.

Means testing will certainly change the voluntary contribution rate in all states. But in a state like Iowa, which receives only 1.4% of the Administration on Aging funds available and 19.8% of our funds in Iowa for the delivery of elderly services come from client contributions, we would realize a

DRASTIC DECREASE IN THE CAPACITY OF OUR AGING PROGRAMS TO ADDRESS THE NEEDS OF OUR VERY RURAL POPULATION. ACCORDING TO THE ADMINISTRATION ON AGING, THE NATIONAL DATA BASE INDICATES THAT CONTRIBUTIONS AVERAGE 10.1% OF TOTAL SERVICE DOLLARS THROUGHOUT THE NATION. MEANS TESTING IS ALSO LIKELY TO REDUCE OTHER NON-PARTICIPANT SUPPORTS. IN IOWA THIS AMOUNTS TO 23.67% OF OUR FUNDING FOR ELDERLY SERVICES. NO WHERE IS THIS KIND OF PARTNERSHIP EXEMPLIFIED AS IT IS BETWEEN THE OLDER AMERICANS ACT AND THE SENIORS AND COMMUNITIES IT SERVES.

NATIONALLY THERE HAS BEEN A PROBLEM DETERMINING THE MEANING OF "SOCIAL NEEDS". THE ADMINISTRATION ON AGING HAS BEEN IN A POSITION TO PROVIDE GUIDANCE TO STATE UNITS ON AGING ON THIS ISSUE. CONGRESS IS NOW IN A POSITION TO DEFINE "SOCIAL NEED" IN THE REAUTHORIZATION OF THE OLDER AMERICANS ACT. HOWEVER, CONSIDERATION SHOULD BE GIVEN THROUGHOUT THE ACT AND THE SUBSEQUENT REGULATIONS PROVIDING GUIDANCE FOR ITS IMPLEMENTATION TO THE MAINTENANCE OF STATE AND LOCAL FLEXIBILITY IN IMPLEMENTATION OF THIS DEFINITION. MANY PROBLEMS OF THE ELDERLY ARE NOT DIRECTLY RELATED TO INCOME BUT RATHER RELATE TO THE UNAVAILABILITY OF SERVICES.

THE TYPE OF SERVICES TO BE PROVIDED WITH ADMINISTRATION ON AGING FUNDING HAS ALWAYS BEEN A LOCAL DECISION ENDORSED BY THE STATE AND SHOULD CONTINUE TO BE SO. THE CURRENT PROCESS OF IDENTIFYING NEEDS OF THE ELDERLY, PLANNING AND COORDINATING SERVICES TO ADDRESS THOSE NEEDS, SOLICITING LOCAL FUNDS TO HELP SUPPORT AGING SERVICES IS BEST DONE AT THE LOCAL LEVEL. IF FUNDS ARE TARGETED AT SPECIFIC SERVICES, THE CAPACITY FOR THE ADMINISTRATION ON AGING FUNDS TO BE UTILIZED AS A MAGNET TO ATTRACT OTHER FUNDS WILL BE DIMINISHED.

AS IT IS CURRENTLY WRITTEN, THE OLDER AMERICANS ACT PROVIDES AN OPPORTUNITY FOR STATES TO COORDINATE EFFORTS WITH AGENCIES ADMINISTERING MEANS TESTED SERVICES, SUCH AS MEDICAID AND TITLE XX. THE AGING FUNDS ARE ABLE TO ASSIST ELDERLY PERSONS WHO LIVE SLIGHTLY ABOVE POVERTY GUIDELINES AND TO FILL THE GAP WITH THE WIDE VARIETY OF SERVICES NEEDED BY VARIOUS INDIVIDUALS. IF THE ACT REQUIRES A MEANS TEST, OR IF SERVICES ARE RESTRICTED TO A FEW NATIONALLY PERCEIVED PRIORITIES, THEN THIS OPPORTUNITY FOR SERVING AS A SAFETY NET FOR THE "NEAR NEEDY" WILL BE LOST.

IN IOWA, FUNDS ARE ALLOCATED TO EACH PLANNING AND SERVICE AREA BASED ON AN INTRASTATE FUNDING FORMULA. THERE ARE MANY WAYS AREA AGENCIES ON AGING CAN BE RESPONSIVE TO THE INTRASTATE FUNDING FORMULA. ONE WAY WOULD BE TO INDICATE THE CLIENT CHARACTERISTICS (AGE, SEX, RACE, INCOME LEVELS, ETC.) AND NUMBERS OF THE ELDERLY POPULATION PROPOSED TO BE SERVED PER SERVICE IN THE AREA PLAN AND ITS ANNUAL UPDATES FOR APPROVAL BY THE STATE UNIT. ACCOUNTABILITY CAN TAKE PLACE BY MERELY REQUIRING THE AREA AGENCY ON AGING TO REPORT, ON A REGULAR BASIS, THE CHARACTERISTICS OF THE ELDERLY POPULATION PER SERVICE THAT HAVE BEEN SERVED DURING THAT REPORT PERIOD. IT IS THE STATE UNITS' RESPONSIBILITY TO MONITOR THOSE TARGETING ACTIVITIES. THUS FLEXIBILITY IS PRESERVED WITH FULL ACCOUNTABILITY.

IN THE REAUTHORIZATION OF THE OLDER AMERICANS

ACT, LANGUAGE SHOULD BE INCLUDED TO ENCOURAGE THE TARGETING OF PROGRAMS, SERVICES, AND RESOURCES AT THE SOCIALLY AND ECONOMICALLY NEEDY WITHOUT SPECIFIC INCOME ELIGIBILITY. TARGETED GROUPS SHOULD INCLUDE PERSONS IN LONG-TERM CARE INSTITUTIONS WHO ARE ABLE TO RETURN TO AN INDEPENDENT SETTING, HOME BASED OLDER PERSONS, PERSONS WITH LIMITED MOBILITY, THOSE HAVING ECONOMIC DISADVANTAGES, AND SOCIAL MINORITIES. THOSE WITH THE GREATEST ECONOMIC AND SOCIAL NEED CAN CERTAINLY BE IDENTIFIED THROUGH THE ASSESSMENT AND CASE MANAGEMENT PROCESS.

WITH THE REAUTHORIZATION, CONGRESS SHOULD REVIEW THE DEFINITION OF "GREATEST SOCIAL AND ECONOMIC NEED". MEASURES SHOULD BE TAKEN TO EXPAND AND CLEARLY DEFINE THESE TERMS TO ALLOW FLEXIBILITY, WITH GUIDANCE TO STATES AND AREA AGENCIES ON AGING. ON THE ISSUE OF TARGETING, FOCUS SHOULD NOT BE ON NARROWING ELIGIBILITY AT THE FEDERAL LEVEL. FOCUS SHOULD BE ON THE MONITORING AND ACCOUNTABILITY OF STATES AND AREA AGENCIES ON AGING.

THANK YOU FOR YOUR CONSIDERATION OF THE ISSUES AND CONCERNS OF THE IOWA COMMISSION ON THE AGING AND THE IOWA AGING NETWORK.

RESPECTFULLY SUBMITTED,

KAREN L. TYNES
EXECUTIVE DIRECTOR

NASUA

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Statement
# of the
National Association of State Units on Aging

Presented to

The Senate Subcommittee on Aging

At A Hearing On

Targeting Under The Older
Americans Act

Presented by
Karen Tynes
Executive Director
Iowa Commission on Aging

November 15, 1983

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Mr. Chairman and distinguished members of the Senate Subcommittee on Aging:

The National Association of State Units on Aging welcomes this opportunity to present its views on the targeting provisions of the Older Americans Act. We applaud the Subcommittee's decision to convene a hearing on this critical issue of who is served by the advocacy, service system development and service activities of the Older American's Act network.

NASUA believes that in the planning, funding, designing and locating of services and in carrying out related outreach, screening and assessment activities, that state and area agencies should be required to give priority to meeting the needs of minority, low-income, limited English speaking, seriously impaired and isolated older persons. Intra-state funding formulas should include low-income, minority and limited English speaking factors. These requirements should be implemented with enforceable federal and state regulations and program instructions which include appropriate reporting requirements at the area, state and federal levels. We also support the Federal Council on Aging's recommendation on requirements for the presentation of the State's intra-state funding formula for public review and comment. The Association also believes that the affirmative action requirements proposed for deletion from the current OAA Title III regulations should be made statutory provisions. Likewise we believe that State and Area Agency Advisory Councils should include adequate representatives from the targeted population outlined above.

NASUA has and continues to believe that serving the needs of America's minority elderly is an absolutely central mission facing the aging network. We also believe that continued and intensified efforts must be undertaken in the areas of affirmative action, minority contracting, program accessiblity and services targeting in order for the network to truly fullfill its responsibility to the minority aged.

Because of these commitments, NASUA recognizes the importance of the U.S. Civil Right Commission's recent report emphasizing the importance of this issue and underscoring the need for additional progress. We viewed the publication of this report as an occasion for the aging network to reaffirm its goal of increasing involvement of minorities in aging services and redouble its specific efforts to achieve that goal.

In conjunction with the National Association of Area Agencies on Aging we established earlier this year a joint Task Force on Minority Aging Services and Employment. This Task Force has had meetings with representatives from the four national aging minority organizations to discuss ideas for effective action in this area. Early in the new year the Task Force and the Boards of the two Associations will issue a statement of principles and action steps to encourage intensified efforts in the areas of affirmative action, minority contracting, program accessibility and service targeting.

In closing, we would urge this subcommittee, when considering these critical issues to address strategies which are both administratively feasible and consistent with the primary thrust of the Older Americans Act - that is to work toward the establishment of a comprehensive, complex and coordinated service system that encompasses individual client needs, individual client preferences, the efficient delivery of quality services, the promotion of family and informal support and an adequate investment of public resources. In carrying out this mission, it is imperative that the network focus its attention on serving the frail, particularly those in most danger of losing their independence. At the same time, we do not believe that the statute or regulations should specify a quota for services to any of the target groups comprising the frail and vulnerable population. It is within this context that we believe the issue of targeting needs to be addressed during the 1984 reauthorization of the OAA.

Thank you for your consideration of our views on this issue.

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Terry E. Branstad
Governor
Karen L. Tynes
Executive Director

December 16, 1983

The Honorable Charles Grassley
S.H. 135 Hart Senate Building
Washington, D.C. 20510

Dear Senator Grassley:

I appreciate the opportunity to respond to your supplemental questions on the issue of "Targeting Scarce Resources under the Older Americans Act."

Your first question asks if we need to have an age of eligibility in the Older Americans Act, and if so, what it should be.

I do believe that we should have a stated age of eligibility for "older individuals" and "older persons" in the Act to be consistent with criteria established with the allotment of OAA funds to the states. The criteria used for such allotment is based on the population age 60+ residing in each state. While the thrust is to deal with the old old or the frail elderly; those age 75+, I do not believe we can overlook those services that contribute to the well being of the well, mobile elderly or the young old. Therefore, I believe the age of eligibility should remain 60 years of age, except for Title V.

Your second question addresses the utilization of Iowa's Elderly Services funds. Iowa recognized as far back as 1979 the need to address the plight of the homebound; the frail elderly. In view of the emphasis at that time on the utilization of OAA funds for visible services for visible older people, Iowa set very strict criteria for not only the kinds of services that might be provided through Elderly Services funds, but also set the age of eligibility at 65+.

Title III funds are used for many of the same services funded under the Elderly Services program. However, with greater flexibility in the Title III funds, we can also make those same services available to seniors between 60 and 65 years of age. In reality, the in-home services provided by both Elderly Services funds and Title III funds are provided to a much older population.

Question number 3 asks my opinion of the special problems faced by the rural elderly. It has been my experience growing up in rural northeastern Ohio, providing direct services for the elderly in western Ohio in the richest agricultural county in the state, and as the director of an urban area agency on aging serving 170,000 seniors in a nine county area that the needs of the urban elderly and the rural elderly are very similar.

The major difference lies in the manner in which these needs may or may not be addressed. While informal support systems are often stronger in rural areas, the change in modern family situations may deny seniors the continuation of such informal support. More technical services are less available in rural areas than in urban areas, primarily due to the logistics.

While AOA does not target funds to states using any criteria but to count the number age 60+ in each state, Iowa's intrastate funding formula does give extra weight to rural areas. While Iowa is a very rural state, I am not sure that we would benefit from any change in the federal allotment process that would give extra weight to rural states.

Question number 4 refers to Dr. Binstock's testimony. I do believe that "legislation and/or regulations to require that community focal points within PSAs be designated and located within geographical settings that have specified minimum concentrations of poor older persons" is a viable option proposed by Dr. Binstock and may be worth pursuing.

Thank you for your continuing interest in the elderly. Please let me know if you need additional information.

Sincerely,

Karen

Karen L. Tynes
Executive Director

KLT:kaj

Senator GRASSLEY. Mr. Moran?

Mr. MORAN. Thank you, Senator.

I would like to thank you, Senator, and the other members of this committee for this opportunity to offer testimony on the Older Americans Act. I am representing the National Association of Area Agencies on Aging, as well as speaking for the Elder Services of the Merrimack Valley, the local area agency in Lawrence, Mass.

Our philosophy as an area agency in Massachusetts is to provide a wide range of community-based long-term care services, operating under a case management system. We offer in-home health care, transportation, and other services.

Many of the funds that we operate have specific targets and policies as to eligibility and other factors, and I will direct some of my comments in relation to the concept of targeting and the concept of eligibility.

I think area agencies often have a flexibility in that we operate with a large amount of discretion at the local level in aging. AAA are an example of a categorical grant that allows the type of flexibility and discretion needed. However, when there is that discretion, I think there is a greater need to assure that the services are reaching those in greatest need. One traditional solution is often allocation formulas. And while I think allocation formulas are certainly helpful in that they define a policy framework for decisionmaking at the local level, they may be ineffectual because of other countervailing public policies that might encourage serving the less frail.

In addition, limiting the discretion by requiring funding of certain types of services only partially addresses the issue of targeting. The requirements, however, do not consider the mix of other resources that may be available at the local level.

So I think we need to look at allocation formulas for the help that they do offer, but they are insufficient in and of themselves to insure appropriate targeting.

I think we also have to look at the issue of "Targeting for what?" I think too often, we look at formulas or other strategies as being separate from the goals of our programs. To state that we must serve those in greatest economic or social need, without any expectations for outcomes of those services, often compounds the problem. Our goal is to offer a range of community-based and in-home long-term care services. Our targeted population may be different than if our goal for expected outcomes might be different than that.

As a local area agency, we are accountable to a wide range of constituencies, the most important constituents being those older people that reside in our community. However, the act itself requires that all people over the age of 60 are our primary constituents, and hence, the dilemma we often face of trying to meet everyone's expectations.

It is appropriate that there must be variations from one locality to another. We should not all be the same in terms of the programs and services we operate, because we must be primarily responsible for the older residents in our planning and service areas.

If the act emphasized the need for the development of community-based long-term care service system, for example, then that would better help area agencies to target services to the functionally impaired population, as well as the population that may need preventive services in terms of forestalling or delaying inappropriate institutionalization.

I think we also have to look at access, not simply seen as transportation or information referral services. It also means eliminating social and cultural barriers by assuring bilingual staffs, staff reflective of the diversity of the population we are serving, and the needs that we must try and meet. This may involve training and skill development, job recruitment. We must insure that all older people who may be in need of services at least will be guaranteed of that opportunity to be considered for services.

N4A and local area agencies on aging are committed to this goal and would encourage Congress to continue their commitment to minority organizations. As previously stated by Karen Tynes, N4A has joined with NASUA in the establishment of a task force on minority aging services and employment. N4A feels that this task force will provide leadership and guidance to our membership in enhancing services to the minority aged.

The other issue that I would like to address is translating allocation formulas and goals to individuals. It is often at that point that I think targeting really can be most effective, and I would like to in that regard raise the issue of case management.

Case management is able to examine the individual's needs and resources and based on those factors develop a plan of care that utilizes not only the limited resources under the Older Americans Act, but other resources that we might have access to, such as block grants, State funds, et cetera. It also allows the flexibility that is necessary—make judgments about individual clients, the support they may be receiving from their families, and the resources available in the community. We need, then, to be able to translate some of the formula factors to individuals—remember, we are serving individuals.

And the other part that case management can be very effective is at the area agency level, where it allows it, then, to evaluate the effectiveness of many of the programs and services that we offer, as to assuring that they are targeting to appropriate individuals and that the quality of those services is indeed meeting the needs of the clients that we are attempting to serve. So there has to be that tie-in between individual client management, as well as that community management at the area agency level.

Based on those observations, I would encourage the committee and Congress to look at the act in the sense that I think we should look at the outcomes of our expectations for the act; what do we expect it to accomplish in terms of serving the population, and I would suggest, as Dr. Binstock did, that we may want to look at expanding "greatest economic and social need" to also include those who are vulnerable to the need for long-term care services.

I suggest that if we refocus our goals, then we must also refocus our allocation formulas to reflect those criteria that are indicators of those in greatest economic or social need, based on the goals that we established. And finally, I would recommend that we give some consideration to strengthening the language in the act relating to case management. While one of the criteria that Dr. Binstock looked at was political feasibility, it may not be feasible, certainly, to mandate case management, but I think we need to recognize the strength that case management can offer and do more than simply mention it, but rather, encourage area agencies and State units to look at case management as a vehicle for insuring that those that are in the greatest economic and social need can receive services.

I think also, in closing, I would like to mention that targeting is needed because the resources are limited. I think, however, that we often have looked at reduced appropriations as some type of targeting strategy, and I would suggest that such a strategy is probably the most inappropriate. It reduces the efforts of programs to offer preventive and interventive services, and often encourages people to become sick before they receive assistance. I do not believe that this is a good public policy, and would suggest that appropriations be viewed as to their potential impact and our ability to meet the expectations of the act. Members of Congress have been sensitive to this issue and have maintained, in some cases, increased appropriations for both title III-B and C, and it is my hope that your past efforts will continue.

Thank you again for your support, Senator Grassley, and for this opportunity. I would be happy to respond to any questions that you might have.

Senator GRASSLEY. Thank you. I will have some questions after Mr. Moyer is done with his testimony.

[The prepared statement of Mr. Moran and responses to questions of Senator Grassley follow:]

TESTIMONY OF GEORGE S. MORAN
EXECUTIVE DIRECTOR
ELDER SERVICES OF THE MERRIMACK VALLEY, INC.
LAWRENCE, MA
BEFORE
SENATE COMMITTEE ON LABOR & HUMAN RESOURCES
SUB-COMMITTEE ON AGING

TARGETING SCARCE RESOURCES

I WOULD LIKE TO THANK SENATOR GRASSLEY AND THE OTHER MEMBERS OF THIS COMMITTEE FOR THIS OPPORTUNITY TO OFFER TESTIMONY ON THE OLDER AMERICANS ACT. I AM REPRESENTING THE NATIONAL ASSOCIATION OF AREA AGENCIES ON AGING, A NON-PROFIT ORGANIZATION REPRESENTING THE CONCERNS OF THE BOARDS, COUNCILS AND STAFF OF OVER 660 AREA AGENCIES ON AGING (AAA'S) ACROSS THE COUNTRY. THE ROLE OF N4A IS TO WORK TO IMPACT PUBLIC POLICY AFFECTING OLDER PEOPLE AND TO HELP INSURE THAT OPTIONS ARE AVAILABLE TO OLDER PEOPLE, AND ALLOW FOR A CHOICE OF A WIDE RANGE OF COMMUNITY-BASED AND IN-HOME SERVICES. THE NEED FOR CLEAR LEGISLATIVE DIRECTION IS PARTICULARLY IMPORTANT AT A TIME WHEN THE DEMANDS ON OUR RESOURCES ARE INCREASING, YET THE RESOURCES THEMSELVES ARE NOT.

AS THE AREA AGENCY ON AGING IN THE MERRIMACK VALLEY, OUR AGENCY PROVIDES IN-HOME AND COMMUNITY CARE TO OLDER RESIDENTS. IT IS OUR PHILOSOPHY THAT OLDER PEOPLE SHOULD HAVE EASY ACCESS TO A WIDE RANGE OF COMMUNITY-BASED, LONG TERM CARE SERVICES. BASED ON A CASE

MANAGEMENT SYSTEM, WE OFFER IN-HOME CARE, HEALTH CARE, TRANSPORTATION, NUTRITION, LEGAL, PROTECTIVE, AND OTHER SERVICES FUNDED BY A RANGE OF STATE AND FEDERAL RESOURCES. MANY OF THESE FUNDS HAVE SPECIFIC TARGETS AND POLICIES AS TO ELIGIBILITY AND OTHER FACTORS THAT WILL OFTEN DETERMINE WHO RECEIVES SERVICES, THE LEVEL OF CARE, AND THE EASE (OR ACCESS) IN WHICH THESE SERVICES ARE RECEIVED. SO, IT IS IN THIS CONTEXT THAT ONE MUST EXAMINE TARGETING.

WE HAVE OFTEN VIEWED TARGETING ALMOST EXCLUSIVELY AS AN ELIGIBILITY ISSUE, THAT IS, WHO IS "ELIGIBLE" TO RECEIVE A PARTICULAR SERVICE BASED ON PERCEIVED NEEDS. MEDICAID, FUEL ASSISTANCE PROGRAMS, ETC., ARE ALL BASED ON THIS CONCEPT. SUCH PROGRAMS LIMIT THE AMOUNT OF DISCRETION AT THE LOCAL LEVEL. OTHER PROGRAMS, HOWEVER, ENCOURAGE FLEXIBILITY AND DISCRETION AT THE LOCAL AND STATE LEVEL. THE OLDER AMERICANS ACT IS AN EXAMPLE OF A CATEGORICAL GRANT THAT ALLOWS FOR A CERTAIN DEGREE OF FLEXIBILITY AND DISCRETION AT THE LOCAL LEVEL. WHEN THERE IS DISCRETION, THERE IS A GREATER NEED TO ASSURE THE SERVICES ARE REACHING THOSE IN GREATEST NEED. OFTEN A TRADITIONAL SOLUTION IS ONE OF ALLOCATION FORMULAS. WHILE THESE ARE HELPFUL, IN THAT THEY DEFINE A POLICY FRAMEWORK, THEY ARE OFTEN INEFFECTUAL BECAUSE OF OTHER COUNTERVAILING PUBLIC POLICIES THAT MIGHT ENCOURAGE SERVING THE LESS FRAIL. SUCH FACTORS MAY INVOLVE THE NEED TO SERVE MORE PEOPLE; THE DESIRE TO OFFER "PREVENTIVE OR INTERVENTIVE" CARE; OR LOCAL POLITICAL CONSIDERATIONS. IN ADDITION, LIMITING THE DISCRETION BY REQUIRING THE FUNDING OF CERTAIN TYPES OF SERVICES (I.E., IN-HOME, ACCESS, ETC.) ONLY PARTIALLY ADDRESSES THE ISSUE OF TARGETING. SUCH

REQUIREMENTS OFTEN DO NOT CONSIDER THE MIX OF OTHER RESOURCES THAT MAY BE AVAILABLE AT THE LOCAL LEVEL. SUCH RESOURCE AVAILABILITY SHOULD IMPACT ON HOW OLDER AMERICANS ACT FUNDS ARE ALLOCATED. IN ADDITION, THERE IS AN ASSUMPTION BEING MADE THAT INDIVIDUALS NEEDING IN-HOME OR ACCESS SERVICES ARE INDEED THOSE IN GREATEST ECONOMIC OR SOCIAL NEED. SUCH A JUDGMENT, I BELIEVE IS INCORRECT BECAUSE THERE ARE OFTEN NO ASSURANCES OR MECHANISMS THAT SUCH REQUIREMENTS ARE BEST SUITED TO INDIVIDUALIZED NEEDS. THEREFORE, I THINK WE NEED TO SEE ALLOCATION FORMULAS FOR THE HELP THEY DO OFFER, BUT THEY ARE CLEARLY INSUFFICIENT TO ENSURE APPROPRIATE TARGETING.

A KEY QUESTION THAT MUST BE ASKED IS "TARGETING FOR WHAT?" ALL TOO OFTEN WE LOOK AT FORMULAS OR OTHER STRATEGIES AS BEING SEPARATE FROM THE GOALS OF OUR PROGRAMS. TO STATE THAT WE MUST SERVE THOSE IN GREATEST ECONOMIC OR SOCIAL NEED WITHOUT ANY EXPECTATION FOR OUTCOMES SIMPLY COMPOUNDS THE PROBLEM. DIFFERENT GOALS OF OUR POLICIES WILL AFFECT VARIOUS ASPECTS OF OUR AGING POPULATION DIFFERENTLY. FOR EXAMPLE, IF OUR GOAL IS TO OFFER A RANGE OF COMMUNITY-BASED AND IN-HOME LONG TERM CARE SERVICES, OUR TARGETED POPULATION WOULD BE AN OLDER, FUNCTIONALLY IMPAIRED, OFTEN FEMALE, OFTEN MINORITY, AND OFTEN LOW-INCOME POPULATION. THIS WOULD BE FAR DIFFERENT IF OUR GOAL WAS TO PROVIDE OPPORTUNITIES FOR OLDER PEOPLE TO REMAIN HEALTHY AND ACTIVE. THE FACT IS THAT THE OLDER AMERICANS ACT REALLY DOES ENCOURAGE SUCH UNCERTAINTY BECAUSE OF ITS LACK OF A CLEAR GOAL OR POLICY DIRECTION. ONE MUST REMEMBER TOO, THAT AREA AGENCIES ON AGING ARE ACCOUNTABLE TO A RANGE OF CONSTITUENCIES, THE MOST IMPORTANT BEING OLDER PEOPLE THAT

RESIDE IN OUR COMMUNITIES. HOWEVER, THE ACT REQUIRES THAT ALL PEOPLE ARE OUR PRIMARY CONSTITUENTS AND HENCE, THE DILEMMA WE OFTEN FACE OF TRYING TO MEET EVERYONE'S EXPECTATIONS. WHAT OFTEN RESULTS THEN IS A RANGE OF LOCAL INTERPRETATIONS AS TO WHAT OUR GOALS MUST BE. THIS LEADS TO FURTHER PROBLEMS BECAUSE THE ADMINISTRATION ON AGING AND THE CONGRESS BECOME CONCERNED AS TO WHETHER THEIR PERCEPTIONS OF THE GOALS ARE BEING MET. I DO NOT MEAN TO SUGGEST, THEREFORE, THAT THE SOLUTION IS RESTRICTING ELIGIBILITY OR LIMITING FLEXIBILITY. IT IS APPROPRIATE THAT THERE MUST BE VARIATIONS FROM ONE LOCALITY TO THE OTHER. WE SHOULD NOT ALL BE THE SAME IN TERMS OF THE PROGRAMS AND SERVICES WE OPERATE, BECAUSE WE MUST BE PRIMARILY RESPONSIBLE TO OLDER RESIDENTS IN OUR PLANNING AND SERVICE AREAS. RATHER THAN CONGRESS AND THE ADMINISTRATION ON AGING TRYING TO LIMIT THE PROCESS OF SERVING OLDER PEOPLE, THERE NEEDS TO BE GREATER SPECIFICITY AND AGREEMENT ON THE OUTCOMES AND GOALS OF THE ACT. IF THE ACT EMPHASIZED THE NEED FOR THE DEVELOPMENT OF COMMUNITY-BASED LONG TERM CARE SYSTEMS, THEN THAT WOULD BETTER HELP AREA AGENCIES TO TARGET SERVICES TO THE FUNCTIONALLY IMPAIRED POPULATION AS WELL AS THE POPULATION REQUIRING PREVENTIVE SERVICES. WE THEREFORE, HAVE TO BEGIN TO PRIORITIZE OUR EFFORTS AND INSURE, TO THE FULLEST EXTENT POSSIBLE, THAT ALL GROUPS HAVE THE ACCESS THEY NEED TO ENSURE CONSIDERATION IN THE COMPETITION FOR RESOURCES. ACCESS HERE SHOULD NOT BE SEEN AS SIMPLY TRANSPORTATION OR INFORMATION AND REFERRAL. IT ALSO MEANS ELIMINATING SOCIAL AND CULTURAL BARRIERS BY ASSURING BILINGUAL STAFFS, STAFF REFLECTIVE OF THE DIVERSITY OF THE POPULATION WE ARE SERVING AND THE NEEDS THAT must be met. This may involve training, skill development, job recruitment. We must ensure that all older people who may be in need of services at least will be guaranteed of that opportunity to be considered for services. N4A and local Area Agencies on Aging are committed to this goal and would encourage Congress to continue their commitment to minority organizations. As previously stated in the statement presented by Karen Tynes on behalf of the National Association of State Units on Aging (NASUA), N4A has joined with NASUA in the establishment of a task force on minority aging services and employment. N4A feels this task force will provide leadership and guidance to our membership in enhancing services to the minority aged. N4A also has a discretionary grant from the Administration on Aging with the goal to improve the capabilities of Area Agencies on Aging to more effectively target their resources to minority elderly in greatest economic and social need. The project will identify viable strategies and techniques for improving Older American Act responsiveness at the community level to older minorities.

The second reason relates to the need to translate public goals and policy to an individual level. And this is clearly something that is not done by an allocation formula or by program goals. We must ensure that the policies and the resources are provided in a uniform, humane way to individuals. We often forget when we are talking demographically, that there is really no such demographic individual. Rather people have varying, changing needs caused by both individual as well as environmental considerations.

Earlier in my testimony, I mentioned that Elder Services of the Merrimack Valley provides services through a case management system. It is this strategy that I believe can be most effective in targeting services to individual older people at the local level. Case management is able to examine the individual's needs and resources: and based on those factors, develop a plan of care that utilizes our limited resources in a manner that reflects the actual circumstances of an individual rather than on programming efforts or demographic characteristics. It also allows the flexibility that is necessary to make judgements about individual clients, the support they may be receiving from their families, and the resources available in the community. We need to be able to translate these formula factors to individuals.

I would like also to suggest that such a strategy often allows flexibility in looking at both the short term and long term implications of services intervention. It allows services to be provided to a less impaired older person who, without such health and social services, would be likely to need greater levels of care in the future, and possibly more expensive care.

Based on our experience, I would therefore like to make a number of suggestions. Before we advocate further targeting language in the Act, we must first be more explicit about our collective expectations for the Older Americans Act, as well as its limitations. It should be viewed in the context of other federal aging programs and

THEREFORE, SEEN FOR THE UNIQUE FLEXIBILITY IT OFFERS. IT SHOULD ALSO NOT BE ASSUMED THAT SIMPLY BECAUSE THE ONLY ELIGIBILITY FACTOR IS AGE, THE ACT SHOULD SERVE ANYONE WHO IS OVER THE AGE OF 60. RATHER, WE NEED TO BE SPECIFIC ABOUT FIRST TARGETING PROGRAMS AND ACTIVITIES TO THOSE WE WANT AND NEED TO REACH AND SECONDLY, THOSE INDIVIDUALS WHO ACTUALLY NEED THOSE PROGRAMS. I WOULD RESPECTFULLY SUGGEST THAT RATHER THAN IN-HOME, ACCESS LANGUAGE WE CONSIDER TARGETING BOTH TITLE III-B AND C TO SERVICES THAT WOULD BE NEEDED TO DEVELOP COMMUNITY-BASED COMPREHENSIVE LONG TERM SERVICES IN CONJUNCTION WITH OTHER RESOURCES THAT MAY BE AVAILABLE LOCALLY. THIS ALLOWS STATES THE PROGRAMMING FLEXIBILITY TO UTILIZE THESE FUNDS IN CONJUNCTION WITH OTHER RESOURCES TO ACHIEVE THE OUTCOMES SPECIFIED IN THE ACT.

SECONDLY, I WOULD SUGGEST THAT IF WE REFOCUS OUR GOALS, THEN WE MUST ALSO REFOCUS OUR ALLOCATION FORMULAS TO REFLECT THOSE CRITERIA THAT ARE INDICATORS OF THOSE IN GREATEST ECONOMIC OR SOCIAL NEED, BASED AGAIN ON THE GOALS WE HAVE ESTABLISHED. SUCH FORMULAS AT THE LEAST, ASSURE THAT RESOURCES ARE ALLOCATED EQUITABLY WITHIN STATES AND ESTABLISH THE FRAMEWORK FOR MAKING INDIVIDUALIZED DECISIONS.

MY FINAL RECOMMENDATION IS RELATED CLOSELY TO THE POSITION PAPER OF N4A REGARDING COMMUNITY-BASED LONG TERM CARE. I STRONGLY SUPPORT THE POSITIONS OUTLINED IN THAT PAPER. SPECIFICALLY, AS IT RELATES TO TARGETING, I WOULD URGE THE COMMITTEE TO SERIOUSLY CONSIDER THE EFFECTIVENESS OF CASE MANAGEMENT AS A TARGETING STRATEGY. ASIDE FROM UTILIZING OUR RESOURCES IN A MANNER THAT EFFECTIVELY ALLOWS US TO

DEVELOP INDIVIDUAL PLANS OF CARE, CASE MANAGEMENT HAS OTHER BENEFITS RELATIVE TO TARGETING. IT ALLOWS FOR THE OPPORTUNITY TO EVALUATE TITLE III-B AND III-C PROGRAMS, AS WELL AS OTHERS, AS TO HOW EFFECTIVELY WE ARE MEETING AN INDIVIDUAL'S NEEDS. BASED ON THE FEED-BACK, IT HELPS IDENTIFY TO THE AREA AGENCY THE EFFECTIVENESS AND APPROPRIATENESS OF OUR PROGAMS AND CONTINUES THEREFORE TO HELP US FOCUS OUR DELIVERY STRATEGIES. THIS STRONG RELATIONSHIP BETWEEN CLIENT MANAGEMENT AND COMMUNITY MANAGEMENT IS ESPECIALLY CRITICAL IN EFFECTIVELY TARGETING OUR RESOURCES TO THOSE OLDER PEOPLE THAT ARE IN GREATEST ECONOMIC OR SOCIAL NEED. I URGE THE COMMITTEE TO SERIOUSLY CONSIDER THE RECOMMENDATIONS OF N4A RELATIVE TO CASE MANAGEMENT.

THERE ARE TWO OVERRIDING ISSUES THAT MUST ALSO BE ADDRESSED REGARDLESS OF THE VARIOUS STRATEGIES DEVELOPED TO TARGET. ONE RELATES TO THE ISSUE OF ACCESSIBILITY. WE MUST ENSURE THAT ALL OUR PROGRAMS ENCOURAGE UTILIZATION BY MINORITY AND LOW-INCOME INDIVIDUALS. EFFECTIVE OUTREACH EFFORTS, AS WELL AS THE STEPS ALREADY DISCUSSED ARE CRITICAL TO ENSURE THAT THOSE IN NEED HAVE ACCESS. I WOULD URGE THE COMMITTEE TO CONTINUE TO ENCOURAGE EFFECTIVE LOCAL AND STATE COMMITMENTS TO THIS EFFORT THROUGH ADMINISTRATIVE DIRECTIVES AND TRAINING INITIATIVES. N4A WILL ALSO CONTINUE THEIR EFFORTS IN THIS DIRECTION.

THE OTHER ISSUE IS ONE OF RESOURCES. TARGETING IS NEEDED BECAUSE OUR RESOURCES ARE LIMITED. ALL TOO OFTEN HOWEVER, REDUCED APPROPRIATIONS HAVE BEEN SEEN AS A TARGETING STRATEGY. I WOULD

SUGGEST THAT SUCH A STRATEGY IS PROBABLY THE MOST INAPPROPRIATE. IT REDUCES THE EFFORTS OF PROGRAMS TO OFFER PREVENTIVE AND INTERVENTIVE SERVICES AND IT ENCOURAGES PEOPLE TO BECOME SICK BEFORE THEY RECEIVE ASSISTANCE. I DON'T BELIEVE THAT THIS IS A GOOD PUBLIC POLICY AND WOULD SUGGEST THAT APPROPRIATIONS BE VIEWED AS TO THEIR POTENTIAL IMPACT ON OUR ABILITY TO MEET THE EXPECTATIONS OF THE ACT. THE MEMBERS OF CONGRESS HAVE BEEN SENSITIVE TO THIS ISSUE AND HAVE MAINTAINED, AND IN SOME CASES, INCREASED APPROPRIATIONS OF TITLE III-B AND III-C. IT IS MY HOPE THAT YOUR PAST EFFORTS WILL CONTINUE.

THANK YOU FOR YOUR SUPPORT, SENATOR GRASSLEY AND FOR THIS OPPORTUNITY. I WOULD GLADLY RESPOND TO ANY QUESTIONS OR COMMENTS YOU OR MEMBERS OF THE COMMITTEE MIGHT HAVE.

QUESTIONS FOR GEORGE MORAN FROM SENATOR CHARLES E. GRASSLEY

1. I know in Massachusetts the state has invested funds in your home care program. Can you describe how Title III funds are used to complement the state funds? In view of the existence of these state funds, how are Title III funds targeted?

2. You indicate that you are in favor of a case management process which would tailor services to individual needs. Do you have any estimates of what proportion of area agencies are currently supporting case management systems?

3. You mention in your statement that different goals require different targeting strategies. Now, the Older Americans Act has multiple goals and it may be unrealistic to think that we will be able to develop more unitary or focused goals for it.

   Would you argue that different targeting strategies should be developed for different parts of the Act?

4. A related concern that your testimony raises is that different services might have different priority in the Act and that change in the priority accorded to particular services would necessarily change the priority received under the Act by particular groups. I presume from your statement that you would prefer to see higher priority placed on the long-term care programs which served the impaired elderly?

   How would you accomplish this? Would you deemphasize the place of the other programs in the Act? Or would you reallocate the funds authorized for the various titles and programs of the Act to deemphasize, say, the nutrition program, while increasing the amounts authorized for the long-term care portions of the Act?

5. Of the possible federal level options identified by Dr. Binstock as having high potential or being worth consideration for targeting for economic or social need, do any strike you as particularly worth pursuing?

RESPONSES TO FOLLOW-UP QUESTIONS OF SENATOR GRASSLEY BY GEORGE S. MORAN

Response to Question #1

In our State, Title III funds are used in two ways. The first and most prevalent is to complement the existing availability of resources. As I said in my testimony, the Older Americans Act should be looked at in the context of all resources that are being utilized at the local level. Because Title III funds offer flexibility in local decision making, they can be used to complement the existing local service delivery system. For our example, our agency awards 50% of our Title III-B that provides health screening and maintenance clinics, and provides home visits to those not covered by Medicaid or other funding sources. These services are needed as determined by local people; but, if not for Title III, they would not be available as no other funding mechanism is currently available to provide for this resource. Other services we offer under Title III include legal services, adult protective services, mental health services, guardianship services, and volunteer transportation services. Many of these services are utilized by our casemanagers to complement our state-funded services. In addition, we also utilize Medicaid funds for other services.

The second purpose for which funds are used are to help initiate new services until other resources can be utilized. We have funded transportation services until they were provided by regional transit authorities; mental health services until they were funded by state funds. This allows the Older Americans funds to stimulate service development.

These funds are targeted, then, in two ways. The first is through our allocation process that examines the needs of older residents in the Merrimack Valley, the resources that are available and, based on that, complements those resources in a programatic sense. This, then, is further translated to individuals targeted through casemanagement and other outreach strategies that utilize senior aides, service providers and their location, public education and information and referral. It is this collective approach to reach individuals that, therefore, helps us evaluate the appropriateness of our progamatic decisions and ensures that services are accessible. Casemanagement then ensures the appropriateness of these services. This relationship between client management and programatic management is critical to effectively evaluate our targeting effectiveness as well as the quality and effectiveness of our programming decisions.

Response to Question #2

While I strongly support casemanagement as a targeting strategy, it is also effective in evaluating the appropriateness and amount of services, and can help control the problems associated with a fee for service system. Such a casemanagement system, therefore, helps us effectively manage limited resource in a number of ways, including targeting.

Responses to Follow-up Questions of Senator Grassley by George S. Moran
Page 2

Question #2 (continued)

Recent data collected from the N4A data base indicates that approximately 42% of the area agencies on aging nationwide are providing casemanagement either directly or through contract. Approximately $7 million dollars are being spent with the average being $116,490. 36.5% of these funds are Title III-B; 25.1% are state; 10.6% are Social Service Block Grants, and the remainder come from city, county or private resources.

I believe these figures show a strong commitment toward casemanagement, and indicate that were changes to be made in the Act, compliance would not be difficult.

Response to Questions #3 and 4

I have taken the liberty of responding to these questions together since, as you pointed out, they share a related concern.

Area Agencies on Aging currently utilize multiple targeting strategies to ensure older people have access to the range of services being offered in each PSA around the country. These strategies may involve allocation formulas, outreach, information and referral, marketing, bilingual brochures, etc. All of these are effective in themselves, but none offer the ability to provide individual assessment and resource mobilization. Casemanagement has the ability to ensure that an individual's needs will be met in a comprehensive way, utilizing all resources available at the local level. Casemanagement, I believe, when utilized with clear goal expectations, realistic allocation formula, and good planning, can meet the needs of an Act with multiple goals. It can do so because casemanagement matches resources to needs. It ensures that services are appropriate to individuals while other targeting strategies such as allocation formulas, service program and location and outreach only assure accessibility. Casemanagement takes it one step further. It is not a substitute for these strategies but rather extends them to individuals.

Further, I was not suggesting that particular services, i.e., nutrition should be de-emphasized, or receive less priority. I do not see this as a choice between nutrition or long-term care. Rather, I see community-based long-term care as the overall goal. All the programs in the Act should be seen as part of a community-based, long-term care system. Each service is a priority, none more or less so than others. However, the more we focus on individual services, the more difficult it becomes to see them as part of an overall system. We should not see nutrition clients, or legal clients, or in-home or health clients. Rather, we should see community-based, long-term care clients who, based on an individualized assessment of needs and resources, are receiving nutrition services, or legal services,etc. We must fit the services to the needs of individuals, not fit the needs of people to the services being offered, because they have been identified as a priority.

Questions #3 and #4 (continued)

It, therefore, does not become a question of shifting resources from program to program, but rather having the flexibility to utilize all available resources (and not just Title III-B or C) so area agencies may better serve those older individuals, particularly those minority and low-income persons in need of a system of community care services.

Response to Question #5

Dr. Binstock has offered many worthwhile suggestions in his testimony. One thing comes across in his testimony however; that, whatever policy changes selected at the federal level, there must also be corresponding policy changes at the state and local level. Based on that, I would suggest option two of his three high potential strategies (p.12) be pursued in the context of long-term care. Rather than mandating specific services, mandating a service delivery system made up of specifically targeted services and strategies may be as effective. In addition, I would also suggest that in determining the need for such specific services, the availability and adequacy of other resources for older people at the local level be considered. In this way, Title III-B and C and, therefore, the Act are seen as part of an overall service delivery system that maximizes local resources, and allows flexibility in utilizing Older Americans Act funds.

Such a flexibility is critical when one considers Dr. Binstock's views in targeting to those in social need. Individual assessment and care planning, utilizing all available resources, allows consideration of both social and economic factors, particularly as they may result in functional impairment.

Senator GRASSLEY. Mr. Moyer?

Mr. MOYER. Thank you.

As you indicated, Senator Grassley, I am the president of the National Association of Nutrition and Aging Services Programs. I am also a nutrition project director in the Seattle King County area of the State of Washington.

I wish to begin my testimony by making two points. One, that targeting can be achieved without changing current eligibility requirements, and two, that problems associated with any change in eligibility preclude making such changes.

I will end my testimony by commenting specifically on ways in which targeting could be improved at the local level.

First, a definition. Targeting may be defined as "those efforts—all efforts—that insure that Older American Act services reach those older persons in the greatest social and economic need." Targeting can be achieved without changing eligibility, because we see it happening now. Older people who participate in nutrition services, be they congregate or home-delivered, do so out of need, not out of eligibility. In the nutrition programs currently, the average age at a congregate site is 73; home-delivered is 78. "Low-income," is defined as below the poverty level as established by the Bureau of Census, is 60 percent congregate, and 66 percent home-delivered. Those who live alone, 55 percent congregate, 61 percent home-delivered. Minority participation in both programs is 19 percent. These are national figures.

Problems that would be associated with any change in eligibility include among others, the very probable loss of volunteer support at congregate nutrition sites. Currently, over 85 percent of the total staff support nationally is provided by volunteers in both the congregate and the home-delivered meal programs. Most of the volunteers are the younger, more ambulatory older persons, who decide that they are still able to contribute their services for others. Volunteers report that they wish to "pay their fair share." Many of them pay their fair share at congregate sites by offering their volunteer services.

I am concerned that if we were to change the eligibility, we would seriously erode the volunteer support from these younger older people.

There are a number of implementation difficulties related to any change in eligibility. If the current eligibility were changed, we would be required at congregate sites to put up hoops—one for age, one for income, one for language, one for old age—then, require that older people jump through these hoops to receive their services. My guess is that many would stay home, rather than to relinquish their pride for a meal.

There is a related problem, and it is the one where people that we have been serving who may be over 60 now, but under whatever age might be determined to be the new eligibility age. Would we "grandfather" grandmother?

Costs. In my written testimony, I detailed what I considered the staffing cost to be at a congregate nutrition site, assuming we were to change any of the eligibility requirements. I will not detail them here. My conservative estimate, which considered only staffing costs, would result in the loss of over 4 million meals nationally. I am convinced that it may be far more efficient to feed the nontargeted persons rather than to try to screen them out.

There is no question that improvements can be made in targeting Older American Act services to those in the greatest social and economic need. Nationally, targeting is achieved primarily through outreach, information and referral services, and through the stationing of services in areas where the most vulnerable targeted individuals may live. I would like to share an example that has occurred in King County, my home county, on how this can work.

We examined the total county area by census tract, looking at three things. We looked at persons who were 60 years of age or over, persons who were members of a minority racial group, and persons who were low-income. We employed a weighted formula, giving 1 weight for a person over 60, 5 for a person who was a minority, and 10 for a person who was low-income, so that a person who was over 60, minority and low-income was weighted as if that person were 16. We then laid this weighted formula grid across the county, by community to determine where our services ought to be being offered based on the weighted formula. We then used that grid to determine where we wished to open new sites or where we wished to increase services so that we could be assured of reaching the target individuals. Additionally, the area agency on aging in Seattle/King County, as well as we service providers and minority organizations, have established service goals in all service contracts, goals for minority participation, and goals for low-income. These are done within the present language of the Older Americans Act, allow the local area flexibility, and at the same time, do not exclude a group not so mentioned at the national level in targeting efforts.

I must agree with Dr. Binstock that targeting can best be achieved when the goals are set at the local level, as well as the determinations as to which groups should be targeted.

The older people of this Nation are a proud people. They have been through better times than these, and they have been through worse times than these. They, for the most part, are best able to determine for themselves what services they need and what services they do not need. Our task is to give them that choice that preserves their worth, dignity, and independence.

Thank you.

Senator GRASSLEY. Thank you.

[The prepared statement of Mr. Moyer and responses to questions of Senator Grassley follow:]

TESTIMONY

FOR A HEARING ON TARGETING SCARCE RESOURCES

UNDER THE OLDER AMERICANS ACT

SUBCOMMITTEE ON AGING

SENATE COMMITTEE ON LABOR AND HUMAN RESOURCES

NOVEMBER 15, 1983

STATEMENT BY WILLIAM R. MOYER, PRESIDENT
NATIONAL ASSOCIATION OF NUTRITION
AND AGING SERVICES PROGRAMS

1601 SECOND AVENUE, SUITE 800
SEATTLE, WASHINGTON 98101

Mr. Chairman and Members of the Subcommittee on Aging:

I am William Moyer, a Nutrition Project Director, in the Seattle/King County Area of the State of Washington. I am also the President of the National Association of Nutrition and Aging Services Programs (NANASP). I thank you, on behalf of the National Association of Nutrition and Aging Services Programs for your invitation to testify on the subject of "Targeting Scarce Resources Under The Older Americans Act".

In the formulation of National Public Policy, in this instance the reauthorization of the Older Americans Act, the issue of "for whom services are to be provided" is equal in importance to the issue of "what services are to be provided", since, historically, the two issues always occur together. The issue of greatest importance to this Committee, however, appears to be the "who" rather than the "what".

In these times of federal fiscal austerity regarding Human Service Social Programs, coupled with the changing National demographic data which indicates both increasing numbers as well as percentage of persons over the age of sixty (i.e.), "The Graying of America", the issue of targeting as it relates to the Older Americans Act takes on added significance. The ussue before this Subcommittee is not whether to target, but rather how best to target limited resources such that services provided under the Act get to those persons in greatest economic or social need.

The issue of targeting is not new to those of us who work with the Older Americans Act. The Act, since its inception in 1965, IDENTIFIED PERSONS AGE SIXTY OR OLDER AS ELIGIBLE TO RECEIVE SERVICES PROVIDED THROUGH THE ACT. AS EARLY AS 1972, THE ACT WHICH AUTHORIZED A NATIONAL NUTRITION PROGRAM FOR THE ELDERLY, IDENTIFIED A TARGET POPULATION WHICH INCLUDED LOW INCOME, MINORITY, ISOLATED AND FRAIL INDIVIDUALS. SINCE 1973, THE ACT HAS STRESSED THAT SERVICES BE TARGETED TO THOSE INDIVIDUALS IN "GREATEST SOCIAL AND ECONOMIC NEED". THROUGHOUT THE HISTORY OF THE ACT, HOWEVER, THE ELIGIBILITY AGE HAS REMAINED AT SIXTY, OR IN SOME INSTANCES, THE SPOUSE OF A PERSON AGED SIXTY OR OVER.

THE NATIONAL ASSOCIATION OF NUTRITION AND AGING SERVICES PROGRAMS FEELS STRONGLY THAT THE ELIGIBILITY AGE REMAIN AS IT HAS ALWAYS BEEN - AGE SIXTY AND OVER AND THAT MEANS TESTING NOT BE EMPLOYED AS A CONDITION FOR THE RECEIPT OF SERVICES UNDER THE ACT. WE FEEL THAT TARGETING CAN BE ACHIEVED WITHOUT CHANGING ELIGIBILITY AND STRESS THE IMPORTANCE TO THE COMMITTEE OF KEEPING THE ISSUE OF ELIGIBILITY AND TARGETING SEPARATE.

WE FEEL THAT TARGETING CAN BE ACHIEVED WITHOUT CHANGING ELIGIBILITY BECAUSE WE SEE IT HAPPENING NOW. OLDER PERSONS, WHO PARTICIPATE IN OUR CONGREGATE AND HOME-DELIVERED MEAL PROGRAMS DO SO OUT OF NEED, NOT SIMPLY BECAUSE THEY ARE ELIGIBLE. DESPITE THE FACT THAT THE ELIGIBILITY AGE IS SIXTY, THE AVERAGE AGE, NATIONALLY, IN CONGREGATE NUTRITION PROGRAMS IS 73(1). THE AVERAGE AGE IN HOME-DELIVERED MEAL PROGRAMS IS 78(1).

IN TERMS OF LOW INCOME, DEFINED AS AN INCOME LEVEL AT OR BELOW THE POVERTY THRESHOLD, ESTABLISHED BY THE BUREAU OF THE CENSUS, 60% OF THE CONGREGATE MEAL PARTICIPANTS AND 66% OF THE HOME-DELIVERED MEAL participants are so defined(2).

In terms of isolation or social need, 55% of the congregate and 61% of the home-delivered participants live alone(1). With regard to minority participation, while the National average of minorities to the general population for persons over the age of sixty falls between 12 and 13 percent, depending upon the source, the average participation in both congregate and home-delivered meal programs is 19% according to the Administration on Aging Office of Program Operations Division of Operations Analysis for fiscal year 1981.

It is the position of NANASP that these figures can be significantly improved upon through: the stationing or location of Nutrition Sites; targeting emphasis in the Act, which should include needs assessment, the identification of special groups (i.e.), minority, low income, persons over 75 years of age to be targeted as well as the inclusion in Area and State Plans as how emphasis will be placed to serve such groups; establishing target goals at the local level; AoA Program Instructions and initiatives; the sharing of "best practice" models in serving target groups; and through improved technical assistance throughout the aging network, without changing the present eligibility guidelines for participation.

A major concern of the National Association of Nutrition and Aging Services Programs is the very probable loss of volunteer support, should the eligibility for Nutrition Services be changed. Volunteers, most of whom are themselves elderly, currently provide over 85% of the total staff support for congregate and home-delivered meal programs(2). Many of these volunteers are the younger, more ambulatory elderly who

REMAIN PHYSICALLY ABLE TO WORK IN MAKING SERVICES AVAILABLE FOR OTHERS. AT CONGREGATE NUTRITION SITES, SOME VOLUNTEERS CHOOSE TO CONTRIBUTE THEIR SERVICES IN LIEU OF THEIR LIMITED DOLLARS FOR THE RECEIPT OF A MEAL. WHILE IT IS RECOGNIZED THAT PARTICIPANTS HAVE THE RIGHT TO DECIDE FOR THEMSELVES HOW MUCH OR WHETHER TO MAKE ANY DONATION TOWARD THE COST OF THE MEAL AND THAT THEY WILL NOT BE DENIED SERVICE ON THE BASIS OF THEIR DONATION, MANY REPORT THAT THEY WISH TO "PAY THEIR FAIR SHARE". IF THE ELIGIBILITY AGE IS RAISED, WE ARE VERY CONCERNED THAT MANY OF THE YOUNGER OLDER PERSONS WHO NEED THE SERVICE WILL BE DENIED THE SERVICE AND THAT THE VOLUNTEER SUPPORT FROM THIS POPULATION WOULD BE DRAMATICALLY REDUCED.

OTHER CONCERNS, AS WE EXAMINE THE TOPIC OF TARGETING SCARCE RESOURCES UNDER THE OLDER AMERICANS ACT, SHOULD CONGRESS ACT TO CHANGE ELIGIBILITY FOR SERVICES UNDER THE ACT, IS THE IMPLEMENTATION DIFFUCULTY AND COSTS ASSOCIATED WITH SUCH CHANGES. WHILE THESE DIFFICULTIES AND COSTS WOULD BE ASSOCIATED WITH ELIGIBILITY CHANGES FOR ANY OF THE SERVICES, THEY CAN BE PERHAPS BEST ILLUSTRATED AT A CONGREGATE NUTRITION SITE.

THE AVERAGE CONGREGATE NUTRITION SITE SERVES APPROXIMATELY SIXTY MEALS PER DAY IN A GROUP SETTING - TYPICALLY A SENIOR CENTER OR CHURCH FACILITY, MEALS ARE GENERALLY SERVED AROUND NOON, AND MOST PARTICIPANTS ARRIVE WITHIN THE HOUR PRIOR TO MEAL SERVICE AND LEAVE WITHIN THE HOUR FOLLOWING THE MEAL SERVICE. IF ELIGIBILITY WERE TO CHANGE TO MATCH TARGETED "TRULY NEEDY", WE AS SERVICE PROVIDERS WOULD BE REQUIRED TO PUT UP"HOOPS": ONE FOR AGE; ONE FOR INCOME; ONE FOR LANGUAGE; ONE FOR RACIAL OR ETHNIC MINORITY MEMBERSHIP; AND THEN ASK OLDER PERSONS TO "JUMP THROUGH THE HOOPS" TO RECEIVE THEIR MEALS. SUCH A PROCEDURE IS

NEITHER NECESSARY NOR DESIRABLE TO ACHIEVE TARGETING GOALS. WE MUST NOT PUT UP BARRIERS TO THE ELDERLY THAT BLOCK THEIR ACCESS TO NEEDED SERVICES. MANY, I FEAR, WOULD STAY HOME WITH THEIR PRIDE INTACT RATHER THAN RELINQUISH IT FOR A MEAL!

ANOTHER DIFFICULTY, SHOULD ELIGIBILITY AGE BE CHANGED, WOULD BE HOW BEST TO HANDLE PARTICIPANTS THAT WE HAVE BEEN SERVING WHO MAY BE OVER SIXTY BUT UNDER THE NEW ELIGIBILITY AGE. WOULD WE "GRANDFATHER" GRANDMOTHER?

COSTS, PERHAPS MORE GERMAINE TO THIS SUBCOMMITTEE THAN THE DIFFICULTIES EXPERIENCED BY SERVICE PROVIDERS IN IMPLEMENTING ANY CHANGED ELIGIBILITY REQUIREMENTS, ARE ANOTHER CONCERN I WISH TO SHARE WITH YOU. WHILE NO ONE KNOWS, AT THIS POINT, WHAT THE TRUE COSTS MIGHT BE IF ELIGIBILITY REQUIREMENTS WERE CHANGED FOR SERVICES AVAILABLE UNDER THE ACT, I HAVE MADE SOME ESTIMATES, ONLY OF INCREASED STAFFING COSTS, WHICH COULD BE ANTICIPATED IN THE CONGREGATE NUTRITION PROGRAMS.

LET US ASSUME THAT CONGRESS DECIDES TO INCREASE THE ELIGIBILITY AGE AND REQUIRE A SLIDING SCALE CHARGE, BASED ON ABILITY TO PAY, FOR MEALS AT A CONGREGATE NUTRITION SITE. FIRST, WE WOULD NEED A PERSON TO VERIFY ELIGIBILITY AT EACH NUTRITION SITE. AT THE MINIMUM, THIS WOULD REQUIRE ONE HOUR OF TIME PER DAY AND LET US ASSUME THAT WE WOULD PAY THE PERSON MINIMUM WAGE. THIS WOULD COST 13,000 SITES x $3.50 x 200 SERVICE DAYS PER YEAR = $9,100,000. SECONDLY, WE WOULD NEED A PERSON AT THE NUTRITION PROJECT LEVEL TO RECRUIT, TRAIN, EVALUATE AND MOTIVATE THE ELIGIBILITY WORKERS AS WELL AS TO DEVELOP POLICIES, PROCEDURES, FORMS, ETC. TO INSURE COMPLIANCE WITH AAA GUIDELINES AND SUB-CONTRACT TERMS. LET US ASSUME THAT THIS WOULD require a total of two weeks of a Project Director's time and that the Nutrition Director earns $15,000. per year. This would cost 1,300 Nutrition Projects x $577. = $750,100. Third, we would most certainly need a AAA Monitor to write contract specifications, to review proposals, to check Sub-contractor performance, to offer some technical assistance where needed and to complete reports to the State Office on Aging. Let us assume that this would also require two weeks time and that the AAA Monitor salary is $18,000. per year. This would cost, 660 Area Agenceis x $692. = $456,720. Without going any further in this example to include State Office staffing, AoA staffing, costs associated with replacing lost volunteer support, postage, untold reems of paper and the like we have already expended to $10,306,820. Since the average cost per congregate meal is $2.54 Nationally(2), this represents a loss of 4,057,803 meals. We may find that is is far less expensive to feed rather than to screen out the non-targeted participant.

There are some who feel that a "tension" is inherent in the Older Americans Act by having an eligibility age of sixty years or older, while at the same time having provisions in the Act that target services to special groups of older persons in greatest economic and social need. As a service provider, I have no problem with this apparent tension. The Older Americans Act was never intended to serve all persons over the age of sixty. Indeed most persons over the age of sixty do not need nor are they likely ever to receive any of the services offered through the Act. However, some people over the age of sixty do need and in fact depend upon services of the Act to maintain the choice of independent living. It is for these

PERSONS THAT THE ACT DOES AND SHOULD CONTINUE TO SERVE.

THE NATIONAL ASSOCIATION OF NUTRITION AND AGING SERVICES PROGRAMS SUPPORTS THE PRESENT DEFINITIONS OF GREATEST ECONOMIC AND SOCIAL NEED AND FEELS THAT THE CURRENT LANGUAGE ALLOWS LOCAL PROJECTS THE GREATEST FLEXIBILITY TO MEET THE INTENT OF THE ACT. WE DO FEEL, HOWEVER, THAT CURRENT LANGUAGE WHICH IMPLIES TARGETING SERVICES TO MINORITY ELDERLY SHOULD BE STRENGTHENED.

THE OLDER PEOPLE OF THIS NATION ARE A PROUD PEOPLE. THEY HAVE EXPERIENCED BETTER TIMES THAN THESE AND THEY HAVE EXPERIENCED WORSE TIMES THAN THESE. IN MOST CASES, THEY ARE THE BEST ABLE TO DETERMINE FOR THEMSELVES THE SERVICES THEY NEED OR DO NOT NEED. OUR TASK IS TO INSURE THAT THERE REMAINS A CHOICE THAT PRESERVES THE WORTH, DIGNITY AND MAXIMAL INDEPENDENCE FOR OUR OLDER CITIZENS.

(1) KIRSCHNER ASSOCIATES, INC. "LONGITUDINAL EVALUATION OF NUTRITION SERVICES FOR THE ELDERLY" (DHHS CONTRACT NO. 105-77-3001).

(2) ADMINISTRATION ON AGING OFFICE OF PROGRAM OPERATIONS DIVISION OF OPERATIONS ANALYSIS, "OLDER AMERICANS ACT - NATIONAL SUMMARY OF PROGRAM PERFORMANCE, FISCAL YEAR 1981" (COMM. PUB. NO. 97-352).

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December 20, 1983

Charles E. Grassley, Chairman
Subcommittee on Aging
Committee on Labor and Human Resources
United States Senate
Washington, D.C. 20510

Dear Senator Grassley:

Thank you, again, for the opportunity to respond in writing to the two following Supplemental questions:

1. Mr. Moyer, on page 3 of your testimony you indicate that the participation of certain groups in programs under the Act can be improved in a number of ways, including needs assessment. Can you explain how the needs assessment function would take place, who would do it and how decisions would be made as to who would receive services first?

2. Of the possible federal level options identified by Dr. Binstock as having high potential or being worth consideration for targeting for economic or social need, do any strike you as particularly worth pursuing?

In response to the first question regarding needs assessment, this function should take place at the local level. Preferably needs assessment would be performed by the Area Agency on Aging since this is a traditional role of Area Agencies in the development of their Area Plan. I would recommend the establishment of a Needs Assessment Task Force, with broad community representation to include consumers, service providers and other appropriate persons.

The Task Force would examine the community needs, current services, unmet needs, service gaps and underserved areas or groups. In addition, the Task Force would establish priorities through seeking community input and justify their plan publicly. The decisions as to who would be served, who would be targeted, what services would be offered, etc. would flow from this public input and decision process.

Charles L. Grassley, Chairman
Subcommittee on Aging
December 20, 1983
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The second question concerns possible "federal level, options" worth pursuing. On those options presented by Dr. Binstock, I would recommend option 2, "Strengthen Language for Service Preference". This option which could apply equally to those in "greatest economic need" as well as those in "greatest social need" has several advantages. It does not change current eligibility, it is a logical extension to current language, it does not require a major increase in federal funds, and it is more effective, in my opinion, regarding targeting, than it is determined to be by Dr. Binstock.

Although this response is brief, I hope it is helpful.

Sincerely,

William R. Moyer, ACSW

William R. Moyer, ACSW
President
NANASP

WRM:adc

Senator **Grassley**. I appreciate all of your testimony. Each of you at your different levels have helped in the fine administering of this act, and are now turning your attention to how it can be improved, or at least, reaffirmed, if that is the conclusion that we come to.

Do you all agree that the Older Americans Act should remain open to all older Americans, while at the same time giving preferred status to certain groups of older people? And in regard to that, do any of you have any reservations about the whole subject of the premise of the question of targeting, while still having it available to all older Americans?

Karen?

Ms. **Tynes**. Yes, I believe the Older Americans Act should be available, funding through that, and services through the act should be available to anyone 60 years of age and older, with specific groups targeted, especially socially and economically disadvantaged.

Senator **Grassley**. Russ?

Mr. **Moran**. I would concur with Karen's comments. I think, as I said in my testimony, the act has to be viewed in the context that it is not standing by itself as the only program for services for older people. Many of the services that we offer in our program are to some degree targeted by other criteria, such as eligibility, and both title III-B and C give us unique flexibility to manipulate that system and put some of those services where there are gaps, that allows us both to do the targeting, but still allows us to reach those people that may not be categorically eligible under other programs. I think that flexibility is very important to us at the local level.

Senator **Grassley**. Mr. Moyer?

Mr. **Moyer**. I concur, also. I think it is possible to target services and keep the eligibility age for all.

Senator **Grassley**. Do each of you feel that you are provided adequate support at the present time for your targeting activities from the Administration on Aging?

Karen—that is not meant to be a difficult question.

Ms. **Tynes**. Well, as you know, currently, we are operating on a mixed bag of regulations, and at times, that provides some confusion. But what it also provides is a great deal of flexibility to State and area agencies on aging.

Mr. **Moran**. We certainly have the flexibility. I think there are times that additional direction, both in terms of data collection and accountability—I think that is one of the issues that I am concerned about—we certainly have to be accountable primarily to the older people in our area. There has to be some upward accountability, both to the State and to the Administration on Aging, and ultimately, to Congress, as to our activities. I think in that regard, in terms of more uniform data collection, might be one area that might be looked at.

Senator **Grassley**. Mr. Moyer?

Mr. **Moyer**. I am not certain. AOA and service providers rarely have an opportunity to talk with each other. But at the local level, most of our support—and there is considerable support for targeting—is brought to us from the AAA.

Senator **Grassley**. I ought to ask you for any suggestions of how—you mentioned targeting—but to what extent could they be more helpful to you—what sort of resources could they provide? You said data collection was one.

Mr. **Moran**. I think maybe some other, certainly national initiatives, working with State units, particularly working with AOA in their support of the national minority organizations in developing strategies to assist local area agencies, to better identify outreach strategies, employment, affirmative action strategies, developing minority contractors. I think those are issues that the Administration on Aging can be most helpful to us in setting policy direction and developing grants and activities that will help us at the local level and continuing those efforts.

Ms. **Tynes**. I agree with Russ. I also think that the Administration on Aging could be more helpful to the State units on aging by being more specific as to the kind of data it needs in order to make some determinations and recommendations. Currently, that is rather vague, and it is interpreted probably 57 ways throughout the United States, and we need, I think, some additional direction in that area.

Mr. **Moyer**. It may be helpful to have the Administration on Aging determine what kind of information it needs. Those of us collecting data at the point of service provision seem to be collecting a tremendous amount of data. I am not sure how much of that data gets to AOA and how much gets back, but I cannot imagine us having to collect more data than we are currently collecting. So, I do not have a problem. I think data collection ought to be clear, but I do not know how to make it consistent across all the States.

Senator **Grassley**. I hope each one of you are familiar with the Federal Council on Aging's targeting studies, and you did hear the chairman's presentation this morning.

Do each of you endorse the Federal Council's targeting proposals?

Ms. TYNES. Basically, I can be supportive of that, and I can especially be supportive of the fact and the recommendation by the Federal Council on Aging that State units publicize their interstate funding formula and be held accountable for that funding formula. I think that is an excellent idea and for those States who are not currently doing it, I think it is an excellent way of publicizing how Federal funds are being targeted.

Mr. MORAN. I would concur, particularly on the publication of the funding formula. That is how it is done in Massachusetts. The only disadvantage that it has is that there is so much participation by local area agencies as to the criteria based on our local perspectives, that we get into a situation sometimes that, "I will cut your throat if you cut my throat." That is one of the risks of having that much participation, but I think I would rather insure that there is always that participation and that accountability as to the criteria that is being used and the publicity for that criteria.

Mr. MOYER. I, too, support the Federal Council disclosure component, with local reviews on the intrastate funding formula. I am torn on placing emphasis on low-income, minority, female, rural and/or disabled older persons. My concern is not that those ought not to be targeted groups. My concern is, that as we make a laundry list of those groups to be targeted, that there are going to be some groups left off of it I prefer that specific targeting decisions be made at the local level, within the present language of the act.

Senator GRASSLEY. Well, you just answered on your part the next question I was going to ask. How do the other two of you feel about putting the definition of "greatest social need and greatest economic need" in the statute, as opposed to regulations?

Ms. TYNES. I think serious consideration should be given to the joint efforts of NASUA and N4A's task force that I discussed in the position paper from NASUA. A great deal of research has been done, and a great deal of work has been done with the minority agencies, to develop that position statement. And I do hope that Congress considers that as they get into the reauthorization of the act.

Mr. MORAN. I would not be opposed to having that put statutorily. Again, I think it helps in terms of developing a policy framework. It helps the decisions at the local and State level. It makes the intent of Congress, if you will, very clear and helps us in our decisionmaking.

Senator GRASSLEY. Mr. Moran, what does data from the National AAA's data base show about the percentages of socially or economically most needy who are served by AAA's?

Mr. MORAN. I am not familiar in detail with all that. I can get that information. But my understanding is that the information does show that there is targeting going on currently, both through allocation of resources, as well as the numerous new case management systems; that to a large extent, many groups are being served in larger numbers than they exist in the population. I think that to some degree, that represents the efforts of service providers and the area agencies working together to identify those groups. Certainly, more can be done, but I think that there is substantial effort going on already.

Mr. Moyer, a targeting issue for nutrition programs is whether meals programs adequately respond to the special dietary needs of minority people. Could you comment on that, please?

Mr. Moyer. That varies across the country. If I can use my own project as an example, we do have, in our congregate meal program, several minority programs—a Japanese, a Filipino, a Chinese, a Chicano—that we have worked with the area agency and with minority organizations to develop. We do a similar thing in the home-delivered, to try to meet the particular needs of the minority elderly. I will say that the program in Seattle, the home-delivered program, is a frozen program, and we are just now developing ethnic meals in that program, as well that can be delivered frozen to serve the needs of minority persons.

Senator Grassley. I also would like to comment about the strong views you stated about means testing, and I would like to hopefully satisfy your concern by stating that as far as I know, there is no movement on the Hill or at least, on the part of this committee, to introduce a means test into the Older Americans Act.

Mr. Moyer. That is very good news, Senator.

Senator Grassley. Also, I would like to say to you, Mr. Moyer, that you know the administration has directed a policy of encouraging contributions from program participants. As a nutrition program director, you are in a position to see what effect this has had on the participation of the most needy in the various programs sponsored under the act. I would like to have your view of what that effect has been—positive, negative, or any description you want to give of it.

Mr. Moyer. I am not sure I can speak from a national perspective. I can speak from a perspective locally. The initiative to increase contributions from the Administration on Aging came to us in King County long after we had been increasing our donations to the point that we felt that they could not be increased any further. Our donations went in about a 9-year period from approximately 40 cents a meal, as an average in the congregate program to an average of almost $1, prior to the time that the AOA initiative came out. We have not increased our donations since that initiative came out, because we feel that enough is enough. There is a limit as to how much one can reasonably expect to receive in donations from a person, particularly if we are trying to target those in greatest economic need, and at the same time, not drive them away from the sites.

Senator Grassley. Well, I am going to have to apologize because I have eight more questions that I needed to run by you, but I am going to have to submit those in writing to each one of you, because I am going to be testing the patience of the next panel. We have five more people who have to give testimony, and I have some questions for them. So I will send the additional questions—there are some to each one of you—and I would appreciate it very much if you could respond in 15 days; would that be all right?

Mr. Moyer. Certainly.

Senator Grassley. Thank you very much. We appreciate your expertise.

Mr. **Moyer**. Thank you, Senator.

Mr. **Moran**. Thank you.

Ms. **Tynes**. Thank you, Senator.

Senator **Grassley**. This last panel—and I will ask each of you to come as I introduce you—will present the perspectives of some of the groups which are or have been targeted under the Older Americans Act.

Mr. David Affeldt is substituting for Ms. Carmela Lacayo and is representing a major national organization for Hispanic older people.

Ms. Anne Turpeau is representing the National Caucus and Center on Black Aged, and is substituting for Mr. Samuel Simmons, its president. Anne is treasurer of the Caucus.

Louise Kamikawa is director of the National Pacific/Asian Resource Center on Aging and has come all the way here from Washington to be with us—although coming all the way from Washington does not seem to be much more difficult than coming from the Midwest since we have had deregulation of airplanes. Louise, we appreciate the effort you have made to be here with us today.

Mr. Alfred Elgin is the executive director of the National Indian Council on Aging and has also come a long way to be with us today. He will be able to give us the point of view of his organization on possible changes needed in title VI of the act, as well as its general targeting provisions.

And lastly, we have Mr. Alan Ackman, president of the Assistance Group for Human Resources Development. You have done a great deal of work over the years in the area of the impaired elderly.

So I would like to have you proceed, and then if we have time, I want to ask a few questions of each one of you. Would you go in the order that I have introduced you, please?

STATEMENT OF DAVID AFFELDT, ON BEHALF OF ASOCIACION NACIONAL PRO PERSONAS MAYORES; ANNE B. TURPEAU, ON BEHALF OF NATIONAL CAUCUS AND CENTER ON BLACK AGED, INC.; LOUISE M. KAMIKAWA, DIRECTOR, NATIONAL PACIFIC/ASIAN RESOURCE CENTER ON AGING; ALFRED ELGIN, EXECUTIVE DIRECTOR, NATIONAL INDIAN COUNCIL ON AGING, INC., AND ALAN ACKMAN, PRESIDENT, THE ASSISTANCE GROUP FOR HUMAN RESOURCES DEVELOPMENT

Mr. **Affeldt**. Thank you very much, Mr. Chairman.

The Asociacion Nacional Pro Personas Mayores is pleased to present testimony at this hearing on targeting resources under the Older Americans Act. We realize that your time is limited, and consequently, I shall summarize my statement. I ask unanimous consent, though, that the full text be included in the record.

Senator **Grassley**. Let me say that will be the case for each one of you, if you missed my original announcement.

Mr. **Affeldt**. We also have some additional materials that we would like to submit for the record.

Senator **Grassley**. OK. If they are not too voluminous, we will include them, as well.

Mr. **Affeldt**. They will not be, Senator.

The Asociacion believes that the 1984 amendments should target more services to older Hispanics, Blacks, Pacific Asians, Native Americans, and other minority groups. Practically every authoritative equity study concludes that aged minorities have been underserved in supportive services and income maintenance programs, especially when services or benefits are matched against the minority elderly's needs. I want to underscore that last point.

We have basically six recommendations that we believe can improve the Older Americans Act in terms of serving older minorities more effectively. One relates to report language, and the remaining five are statutory.

First, we urge that the subcommittee incorporate report language emphasizing administrative actions that can be taken to make the Older Americans Act more responsive to older minorities. We have several listed in the document that we prepared for improving the Older Americans Act in terms of serving older minorities. I would like to summarize very briefly some of the recommendations:

No. 1. Vigorous outreach activities should be undertaken to locate Hispanics and other older minorities.

No. 2. Area agencies on aging should attempt to place more services and benefit programs in neighborhoods with high concentrations of low-income minority older persons.

No. 3. Hiring of more bilingual staff should be encouraged by local offices on aging and service providers. This is a very key recommendation.

Second, the current language requiring State and area agencies on aging to target services to persons with the greatest economic or social needs should be replaced.

We recommend that there be specific language, spelling out very clearly in title III, that minority, Indian, and limited English-speaking elderly persons are priority groups for receiving title III services. We think it is important to identify minorities as priority groups, because currently, minorities are not receiving services in relation to their need for services. They represent only about 18 percent of all title III recipients.

Third, the standard for targeting services should be based on the need for services, instead of proportionality or some other criteria. Proportionality is simple to understand and to administer, but it can produce obvious incongruities. For example, more than 26 percent of all older families had income above $20,000 in 1980, including 3.3 percent exceeding $50,000. No one is seriously arguing that this more affluent aged group should receive 26 percent of the services under the Older Americans Act because their needs are simply not as great as those of the minority elderly.

Fourth, new language should be added to title II of the Older Americans Act, directing the Administration on Aging and State and area agencies on aging, to take affirmative action to promote expanded opportunities for training, employment, and contracts for aged minorities and minority service providers. This should be accomplished in consultation with national minority aging organizations, local minority aging organizations, and leaders in minority communities and others with expertise in this area.

Fifth, we recommend that a monitoring unit be established, preferably with in AOA, to oversee the provisions for increased employment, training, and contracting opportunities for minorities and to assist those who are trying to comply with these objectives.

Sixth, we recommend that the Cranston amendment be restored. This amendment would promote training to prepare minorities for careers in the field of aging. It was dropped during the 1981 Older Americans Act Amendments when there was an attempt to consolidate title IV and to boil it down to more simplified form.

In conclusion, Mr. Chairman, the Asociacion considers equity to be the number one issue for reauthorization of the Older Americans Act. We have presented recommendations which if appropriately implemented, can very definitely increase services for older Hispanics and other low-income older Americans. The Asociacion believes that these recommendations are workable and much-needed, and we urge the subcommittee to adopt these proposals.

Afterwards, I would like to respond to some issues that were raised in prior testimony, relating to maintaining the status quo. But, for the time being, I would like to conclude and allow others to participate in this hearing.

Senator GRASSLEY. Thank you.

[The prepared statement of Mr. Lacayo and responses to questions asked by Senator Grassley follow:]

ANPPM
ASOCIACION NACIONAL PRO PERSONAS MAYORES

REGIONAL CENTERS Los Angeles CA Miami FLA Washington DC New York N

STATEMENT BY

CARMELA G. LACAYO
PRESIDENT/EXECUTIVE DIRECTOR

ASOCIACION NACIONAL PRO PERSONAS MAYORES

BEFORE THE

SUBCOMMITTEE ON AGING
SENATE COMMITTEE ON LABOR AND HUMAN RESOURCES

ON

TARGETING SCARCE RESOURCES UNDER THE OLDER AMERICANS ACT

NOVEMBER 15, 1983

National Association For Hispanic Elderly
National Executive Offices: 1730 W. Olympic Blvd., Suite 401, Los Angeles, CA 90015 (213) 487-1922

MR. CHAIRMAN AND MEMBERS OF THE SUBCOMMITTEE, THE ASOCIACION NACIONAL PRO PERSONAS MAYORES IS PLEASED TO PRESENT TESTIMONY AT THIS HEARING ON "TARGETING SCARCE RESOURCES UNDER THE OLDER AMERICANS ACT."

WE REALIZE THAT YOUR TIME IS LIMITED. CONSEQUENTLY, WE SHALL KEEP OUR STATEMENT BRIEF. IF ANY SUPPLEMENTAL INFORMATION IS NEEDED, THE ASOCIACION WILL, OF COURSE, BE GLAD TO PROVIDE IT FOR THE HEARING RECORD.

IMPROVING SERVICES FOR OLDER MINORITIES

THE ASOCIACION BELIEVES THAT THE 1984 AMENDMENTS SHOULD TARGET MORE SERVICES TO OLDER HISPANICS, BLACKS, PACIFIC ASIANS, NATIVE AMERICANS, AND OTHER MINORITY GROUPS. PRACTICALLY EVERY AUTHORITATIVE EQUITY STUDY CONCLUDES THAT AGED MINORITIES HAVE BEEN UNDERSERVED IN SOCIAL SERVICES AND INCOME MAINTENANCE PROGRAMS, ESPECIALLY WHEN SERVICES OR BENEFITS ARE MATCHED AGAINST THE MINORITY ELDERLY'S NEEDS.

THIS HAS BEEN CONFIRMED IN RESEARCH CONDUCTED BY DAVID GUTTMANN ("PERSPECTIVE ON EQUITABLE SHARE IN PUBLIC BENEFITS BY MINORITY ELDERLY"), AND THE INSTITUTE FOR HUMAN SERVICES MANAGEMENT ("THE MINORITY ELDERLY: EQUAL OPPORTUNITY - MYTH OR REALITY?"). LAST YEAR'S CIVIL RIGHTS COMMISSION REPORT ALSO REACHED A SIMILAR CONCLUSION.

IN THE INTEREST OF TIME, MR. CHAIRMAN, THE ASOCIACION ASKS PERMISSION TO INSERT A SUMMARY OF PARTS I AND II OF THE CIVIL RIGHTS COMMISSION REPORT AND THE GUTTMANN STUDY IN THE HEARING RECORD AT THE END OF OUR STATEMENT.

THESE STUDIES PROVIDE POWERFUL REASONS TO STRENGTHEN THE OLDER AMERICANS ACT TO INCREASE SERVICES FOR OLDER MINORITIES. THE STUDIES SHOW THAT EFFECTIVE AFFIRMATIVE ACTION HAS NOT YET BEEN TAKEN TO ASSURE THAT OLDER HISPANICS AND OTHER MINORITY ELDERLY RECEIVE SOCIAL SERVICES UNDER THE OLDER AMERICANS ACT IN PROPORTION TO THEIR NEED.

ASOCIACION'S STATUTORY RECOMMENDATIONS

THE ASOCIACION RECOMMENDS THE FOLLOWING STEPS TO MAKE OAA TARGETING ACTIVITIES MORE EFFECTIVE. WE BELIEVE THAT THESE RECOMMENDATIONS ARE IMPORTANT. BUT JUST AS IMPORTANT IS OUR HOPE THAT THE OAA REPORT LANGUAGE WILL BE STRONG ENOUGH TO MOVE STATE AND AREA AGENCIES ON AGING TO ACT ON TARGETING RESOURCES TO THE NEEDIEST OLDER AMERICANS. TARGETING IS CURRENTLY LEFT TO THE GOOD WILL OF INDIVIDUALS. ONLY STRONG REPORT LANGUAGE CAN MAKE TARGETING THE SYSTEMATIC AND MANDATORY PROCESS IT SHOULD BE.

TO BOLSTER MINORITY PARTICIPATION IN TITLE III SERVICES AND TO PROMOTE GREATER INVOLVEMENT BY MINORITY CONTRACTORS AS SERVICE PROVIDERS, WE RECOMMEND:

1. THAT THE SUBCOMMITTEE INCORPORATE REPORT LANGUAGE EMPHASIZING ADMINISTRATIVE ACTION TO BE TAKEN TO MAKE THE OLDER AMERICANS ACT MORE RESPONSIVE TO OLDER MINORITIES. THESE ACTIONS SHOULD INCLUDE:

    A) MORE VIGOROUS OUTREACH ACTIVITIES TO LOCATE HISPANICS AND OTHER OLDER MINORITIES .

B) AREA AGENCIES ON AGING'S PLACEMENT OF MORE SERVICES AND BENEFIT PROGRAMS IN NEIGHBORHOODS WITH HIGH CONCENTRATIONS OF LOW INCOME, MINORITY OLDER PERSONS.

C) HIRING OF MORE BILINGUAL STAFF BY LOCAL OFFICES ON AGING AND SERVICE PROVIDERS. THIS IS A KEY RECOMMENDATION. FULLY 87 PERCENT OF OLDER HISPANICS NATIONWIDE ARE MONOLINGUAL IN SPANISH, ACCORDING TO RESEARCH STUDIES BY THE ASOCIACION AND OTHERS. BILINGUAL SERVICE PROVIDERS ARE ESSENTIAL FOR THESE OLDER PEOPLE TO OBTAIN MUCH-NEEDED SERVICES. SURELY WE CANNOT EXPECT A LOW-INCOME OLDER HISPANIC TO TAKE ENGLISH CLASSES IN ORDER TO BE ELIGIBLE FOR SERVICES.

YET THE 1982 CIVIL RIGHTS COMMISSION STUDY OF MINORITY PARTICIPATION IN OAA PROGRAMS FOUND THAT THE ADMINISTRATION ON AGING HAS NO SPECIFIC CRITERIA FOR EMPLOYING BILINGUAL STAFF, AND THAT BILINGUAL STAFF WERE USUALLY ABSENT FROM ARE AGENCIES ON AGING EVEN WHEN THERE WAS A LARGE POPULATION OF LIMITED-ENGLISH SPEAKING ELDERLY IN THE SERVICE AREA.

D) AN ADMINISTRATION ON AGING REQUIREMENT THAT AREA AGENCIES ON AGING WHOSE SERVICE AREAS CONTAIN A SIGNIFICANT POPULATION OF LIMITED-ENGLISH-SPEAKING OLDER PERSONS PROVIDE BILINGUAL ASSISTANCE TO THESE ELDERLY. (THIS REQUIREMENT COULD BE PART OF STATUTORY OR REPORT LANGUAGE.)

2. THAT THE CURRENT LANGUAGE TO REQUIRE STATE AND AREA AGENCIES ON AGING TO TARGET SERVICES TO PERSONS WITH THE GREATEST ECONOMIC OR SOCIAL NEEDS" BE REPLACED. A NEW AND STRONGER STANDARD SHOULD BE INCORPORATED INTO SECTIONS 305 (a) (2) (E) AND 306 (a) (5) (A). SECTION 305 (a) (2) (E) SHOULD BE REPLACED BY THE FOLLOWING:

"(E) PROVIDE ASSURANCES THAT MINORITY, INDIAN, AND LIMITED ENGLISH-SPEAKING INDIVIDUALS WILL BE PRIORITY GROUPS FOR RECEIVING TITLE III SERVICES. MINORITY, INDIAN, AND LIMITED ENGLISH-SPEAKING INDIVIDUALS SHALL RECEIVE SERVICES ON THE BASIS OF THEIR NEED FOR SERVICES, AFTER A COMPREHENSIVE NEEDS ASSESSMENT SHALL BE UNDERTAKEN EXPEDITIOUSLY TO ASSURE THE PROMPT IMPLEMENTATION OF THIS PROVISION."

SECTION 306 (a) (5) (A) SHOULD BE CHANGED TO READ:

"(A) PROVIDE ASSURANCES THAT THE MINORITY ELDERLY, INDIAN, AND LIMITED ENGLISH-SPEAKING INDIVIDUALS WILL BE PRIORITY GROUPS FOR RECEIVING TITLE III SERVICES AND INCLUDE PROPOSED METHODS OF CARRYING OUT THE PREFERENCE IN THE AREA PLAN. MINORITY, INDIAN, AND LIMITED ENGLISH-SPEAKING INDIVIDUALS SHALL RECEIVE SERVICES ON THE BASIS OF THEIR NEED FOR SERVICES, AFTER A COMPREHENSIVE NEEDS ASSESSMENT IS UNDERTAKEN. A COMPREHENSIVE NEEDS ASSESSMENT SHALL BE UNDERTAKEN EXPEDITIUSLY TO ASSURE THE PROMPT IMPLEMENTATION OF THIS PROVISION."

THESE CHANGES IN LANGUAGE WILL MAKE IT CLEAR THAT MINORITY, INDIAN, AND LIMITED-ENGLISH-SPEAKING ELDERLY ARE PRIORITY GROUPS FOR RECEIVING TITLE III SERVICES.

3. THAT THE STANDARD FOR TARGETING SERVICES SHOULD BE BASED ON NEED FOR SERVICES, INSTEAD OF PROPORTIONALITY OR SOME OTHER CRITERIA.

PROPORTIONALITY IS EASY TO UNDERSTAND AND SIMPLE TO ADMINISTER. BUT, IT CAN PRODUCE OBVIOUS INCONGRUITIES. FOR EXAMPLE, MORE THAN 26 PERCENT OF ALL OLDER FAMILES HAD INCOME ABOVE $20,000 IN 1980, INCLUDING 3.3 PERCENT EXCEEDING $50,000. NO ONE IS SERIOUSLY ARGUING THAT THIS MORE AFFLUENT AGED GROUP SHOULD RECEIVE 26 PERCENT OF THE SERVICES UNDER THE OLDER AMERICANS ACT BECAUSE THEIR NEEDS ARE SIMPLY NOT AS GREAT AS THOSE OF THE MINORITY ELDERLY.

4. THAT NEW LANGUAGE BE ADDED TO TITLE II OF THE OAA DIRECTING THE ADMINISTRATION ON AGING, STATE AND AREA AGENCIES ON AGING TO TAKE AFFIRMATIVE ACTION TO PROMOTE EXPANDED OPPORTUNITIES FOR TRAINING, EMPLOYMENT AND CONTRACTS FOR AGED MINORITIES AND MINORITY SERVICE PROVIDERS. THIS SHOULD BE ACCOMPLISHED IN CONSULTATION WITH NATIONAL MINORITY AGING ORGANIZATIONS, LOCAL MINORITY AGING ORGANIZATIONS, AND LEADERS IN MINORITY COMMUNITIES.

CURRENTLY ONLY 1.8 PERCENT OF AOA'S STAFF MEMBERS ARE HISPANIC. SINCE LACK OF MINORITY STAFF CAN ADVERSELY AFFECT MINORITY PARTICIPATION IN SERVICE PROGRAMS, THIS SEVERE UNDER-REPRESENTATION OF MINORITIES MUST BE CORRECTED. HOW? WE RECOMMEND THAT A NEW SUBSECTION 202(d) BE INSERTED IN THE OLDER AMERICANS ACT. IT SHOULD READ:

> "(d) THE COMMISSIONER SHALL CONSULT WITH AND WORK WITH STATE OFFICES ON AGING, AREA AGENCIES ON AGING, NATIONAL MINORITY AGING ORGANIZATIONS, AND OTHERS WITH SPECIALIZED EXPERTISE TO PROMOTE

AFFIRMATIVELY ADDITIONAL EMPLOYMENT AND TRAINING OPPORTUNITIES IN THE FIELD OF AGING FOR MINORITY GROUP INDIVIDUALS AND ADDITIONAL OPPORTUNITIES FOR SERVICE CONTRACTS UNDER THIS ACT FOR MINORITY-SPONSORED ENTERPRISES. THE COMMISSIONER SHALL ESTABLISH APPROPRIATE TARGET GOALS WITH APPROPRIATE TIME TABLES TO PROMOTE ADDITIONAL EMPLOYMENT AND TRAINING OPPORTUNITIES IN THE FIELD OF AGING FOR MINORITY GROUP INDIVIDUALS, ADDITIONAL OPPORTUNITIES FOR SERVICE CONTRACTS FOR MINORITY-SPONSORED ENTERPRISES UNDER THIS ACT, AND INCREASED SERVICE PARTICIPATION LEVELS FOR OLDER MINORITY GROUPS INDIVIDUALS UNDER THIS ACT. THE COMMISSIONER SHALL DEVELOP AND PUBLISH APPROPRIATE REGULATIONS, GUIDELINES AND PROGRAM INSTRUCTIONS TO IMPLEMENT THIS SUBSECTION AND SECTIONS 305(a) (2) (E) AND 306(a) (5) (A) (RELATING TO INCREASED SERVICE PARTICIPATION LEVELS OF OLDER MINORITY GROUPS INDIVIDUALS UNDER THIS ACT). THE COMMISSIONER SHALL COLLECT COMPREHENSIVE CURRENT DATA TO DETERMINE THE NUMBER AND PERCENTAGE OF (1) EMPLOYMENT AND TRAINING POSITIONS FOR MINORITY GROUP INDIVIDUALS AT STATE AND LOCAL OFFICES ON AGING AND THE ADMINISTRATION ON AGING, (2) SERVICE CONTRACTS FOR MINORITY SPONSORED ENTERPRISES UNDER THIS ACT, AND (3) SERVICE PARTICIPATION LEVELS FOR OLDER MINORITY GROUP INDIVIDUALS UNDER THIS ACT.

5. THAT A MONITORING UNIT BE ESTABLISHED TO OVERSEE THE PROVISIONS FOR INCREASED EMPLOYMENT, TRAINING, AND CONTRACTING OPPORTUNITIES FOR MINORITIES UNDER TITLE II OF THE OAA, AND TO ASSIST THOSE WHO ARE TRYING TO COMPLY WITH THESE OBJECTIVES.

6. THAT THE CRANSTON AMENDMENT BE RESTORED. THIS AMENDMENT WOULD PROMOTE TRAINING TO PREPARE MINORITIES FOR CAREERS IN THE FIELD OF AGING.

CONCLUSION

IN CONCLUSION, MR. CHAIRMAN, THE ASOCIACION CONSIDERS EQUITY TO BE THE NUMBER ONE ISSUE FOR REAUTHORIZATION OF THE OLDER AMERICANS ACT. WE HAVE PRESENTED RECOMMENDATIONS WHICH, IF APPROPRIATELY IMPLEMENTED, CAN INCREASE SERVICES FOR OLDER HISPANICS AND OTHER LOW-INCOME OLDER AMERICANS. THE ASOCIACION BELIEVES THAT THESE RECOMMENDATIONS CONSTITUTE A PROPOSAL THAT IS WORKABLE AND MUCH-NEEDED. WE URGE THE SUBCOMMITTEE TO ADOPT THIS PROPOSAL.

THE ASOCIACION THANKS YOU FOR YOUR COURTESY IN ASKING US TO TESTIFY. WE SHALL BE GLAD TO ANSWER ANY QUESTIONS, ORAL OR WRITTEN, THAT YOU MAY HAVE.

MR. CHAIRMAN, I ALSO ASK CONSENT TO INSERT IN THE HEARING RECORD THE ASOCIACION'S POSITION PAPER ON IMPROVING SERVICES AND OPPORTUNITIES FOR MINORITIES UNDER THE OLDER AMERICANS ACT.

ANPPM
ASOCIACION NACIONAL PRO PERSONAS MAYORES

December 29, 1983

The Honorable Charles Grassley
Room 404
Hart Senate Office Building
Washington, D.C. 20510
ATTENTION: Mr. Pete Conroy

Dear Senator Grassley:

The Asociacion Nacional Pro Personas Mayores is pleased to enclose its responses to the seven follow-up questions you raised concerning the November 15, 1983 hearing on "Targeting Scarce Resources under the Older Americans Act." We thank you again for the opportunity to have testified at that hearing. We also went to emphasize our support for your objective to obtain early enactment of the Older Americans Act reauthorization bill.

If you would like additional information, please contact us. Many thanks again, and best wishes for a Happy New Year.

Sincerely,

CARMELA G. LACAYO
President/Executive Director

CGL:sp
Enclosures

National Association For Hispanic Elderly
National Executive Offices: 1730 W. Olympic Blvd., Suite 401, Los Angeles, CA 90015 (213) 487-1922

ANPPM
ASOCIACION NACIONAL PRO PERSONAS MAYORES

ASOCIACION NACIONAL PRO PERSONAS MAYORES RESPONSES TO QUESTIONS FROM HEARING ON "TARGETING SCARCE RESOURCES UNDER THE OLDER AMERICANS ACT"

Question

1. Do you think that the targeting provision of the Act should be given more prominence so that it applies across all programs authorized under the Act?

Answer

1. The Asociacion favors replacing the existing targeting language -- employing the "greatest economic or social needs" standard -- with stronger and more precise language. The Asociacion supports language that states affirmatively that aged minorities should be a priority group for receiving services under the Older Americans Act. This should be based on their need for supportive and other services, rather than proportionality or some other criterion . Additionally, specific language should incorporated into the Older Americans Act to direct the Administration on Aging, state offices on aging and area agencies on aging to take affirmative steps to promote expanded training, employment, and contract opportunities for minorities and minority enterprises. This is a comprehensive approach which is responsive to the many needs of minorities -- services, employment, and contract opportunities. These measures go to the heart of the problems identified in the 1982 Civil Rights Commission report. Moreover, the proposals apply across the board to all Older Americans Act programs.

Question

2. If minority group membership were to be given a preferred status in the Act should any other qualifier be attached to it -say low income or vulnerability? That is, should one have to be not only minority but also low income or vulnerable in order to be given preferred status?

Answer

2. We do not believe that it would be desirable to incorporate other qualifiers, for the following reasons:
   a. The qualifiers that you have mentioned (e.g., low income or

National Association For Hispanic Elderly
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vulnerability) are closely connected with minority status. In 1982 , for example , aged minorities were nearly three times as likely to be poor as elderly Anglos. About 11.5 percent of Anglos 60 years or older were poor in 1982, compared to 32.3 percent among elderly Blacks and Hispanics (figures were not available for Pacific/Asians or Indians).

b. The minority aged constitute 13.3 percent of the 60-plus population. Additional qualifiers would further compartmentalize the targeting approach.

c. Some qualifiers could conceivably work against the interests of minority aged, although the minority elderly's service needs are typically two to four times as great as the non-minority aged. For example, targeting services for the "at risk" population ordinarily means focusing on the "older aged." This could be detrimental to aged minorities because of their shorter life expectancy.

Question

3. Do you feel that the resources of Title IV have been devoted in adequate proportions to the concerns of minority elderly? If not, how can AOA's efforts be improved?

Answer

3. Unfortunately, precise funding information is not available. However, actual funding for the four national minority aging organizations under the Title IV national impact program was cut by almost 40 percent ($447,849) from fiscal year 1982 to fiscal year 1983. Yet, overall appropriations ($22.2 million) for Title IV remained the same for the two years in question. This sharp reduction in funding has caused major contractions within the four national minority aging organizations and has seriously impaired their ability to act on behalf of their constituencies. The Asociacion would urge that greater funding be targeted for the following activities under Title IV:

--Career preparation training for minorities to enable more Hispanics, Blacks, Pacific/Asians, and Indians to enter the field of aging.

--More demonstrations to improve the delivery of services to older minorities.

--Activites to promote greater services, employment, and contract opportunities for minorities.

Question

4. Can it be argued that other federal programs effectively target the needy elderly in a degree which makes the necessity or urgency for doing so with Older American Act funds less intense?

Answer

4. Studies conducted by the Asociacion and other researchers provide clear and convincing evidence that older minorities are underrepresented in the major programs -- Social Security and Medicare -- serving the elderly. Large numbers of "older aged" minorities , for example, may have worked in employment (such as farm workers or domestics) which was covered later by Social Security. Consequently, they may have never become "fully insured" for Social Security. Moreover, some employment for minorities -- especially among migrant farm workers -- is inaccurately, improperly or never reported by the employer. This can prevent some Hispanics from qualifying for Social Security, even though they meet other conditions of entitlement. Language barriers also make it difficult for many Hispanics and other limited English-speaking older persons to perform the necessary paperwork to become eligible for benefits to which they are legitimately entitled.

Question

5. Of the possible federal level options identified by Dr. Binstock as having high potential or being worth consideration for targeting for economic or social need, do any strike you as particularly worth pursuing?

Answer

5. The Asociacion has worked with other aging organizations in developing a comprehensive approach to services and opportunities for minorities under the Older Americans Act. The key elements of this package have been described in response to question number 1. We strongly believe that this is the most effective approach to assure equitable treatment for minorities under the Older Americans Act. These recommendations are legislatively attainable and are urgently needed. For these reasons, we urge the Subcommittee on Aging to incorporate these measures in the Older Americans Act reauthorization bill.

Question

6. Do you think that Administration on Aging data adequately reflects the number of minorities who participate in its programs?

What is your experience with the data base of the National Association of Area Agencies on Aging? Do you think that their data reflects accurately the number of minorities who participate in Older Americans Act program?

Answer

6. The Asociacion believes that AOA data overstate minority participation in Older Americans Act programs. We also believe that there are inaccuracies in the N4A data base. There are probably several

reasons to explain the overcounting of services to minorities including:

--AOA figures, for instance, are based on units of service. Thus, one elderly Hispanic woman may receive transportation services on eight occasions during the year. This is counted as eight units of service, although only one person is assitted.

--Some of the statistics are based on estimates, and in some cases "guesstimates." These figures have a higher margin for error.

--In any data collection process, a human element always enters into the equation, which increases the likelihood for errors. Many of the persons collecting information for minority participation under the Older Americans Act have little, if any, background on statistics or data collection.

Question

7. You indicate that the Act should be amended by including a requirement for a comprehensive needs assessment of minority older persons to assure that services are provided to these groups.

Can you expand on this statement; for example, who would perform the needs assessment? What would be the cost of such a function? Given scarce resources, how would a determination be made as to who gets served first?

Answer

7. The need assessment would be conducted by local offices on aging in consultation with older persons, community senior citizen leaders, and others knowledgeable about the services needs of older Americans. This can be accomplished very inexpensively through surveys (e.g., at senior centers, nutrition sites, and elsewhere), analysis of data (e.g., Census tabulations), review of existing research, and other means. Area agencies on aging should conduct comprehensive needs assessments as a matter of course in developing services plans.

Senator **Grassley**. Anne?

Ms. **Turpeau**. Thank you, Senator Grassley.

The National Caucus and Center on the Black Aged appreciates this opportunity to prevent testimony.

The 1984 amendments can make the Older Americans Act more responsive to minorities, whether they are older persons needing services to live independently, or younger minorities desiring to enter the field of aging to serve older minorities and other aged persons.

We strongly favor statutory language or stronger statutory language to target more services to elderly minority groups, such as the aged blacks, Hispanics and Asians, Pacific Islanders, American Indians, Aleuts, and Eskimos.

We have four recommendations that we would like to put before you. First, stronger and more precise statutory language must be enacted to assure that older minorities are more equitably served under the Older Americans Act. The Older Americans Act should state affirmatively that older minorities are a priority group for receiving services under title III.

Second, positive steps should be taken to promote job training and contracting opportunities for minorities. Also, minorities should be actively recruited for management, administrative, policymaking and decisionmaking positions. Specific statutory language calling upon AOA to promote employment and training opportunities for minorities in the field of aging and additional service contracts with minority enterprises should be included in the act. This language should include appropriate target goals and timetables.

Third, we support, as does the Hispanic group, the establishment of a unit within AOA to monitor the implementation of these provisions. The unit should provide technical assistance to the aging network so that older minorities can be effectively served under the act.

And finally, we would concur also with the reinstatement of the Cranston amendment, which authorizes AOA to address the need for training minority group individuals to meet the service needs of minorities. This would make clear that training of minority group individuals is specifically authorized under title IV of the Older Americans Act, and in addition, it would provide greater visibility for career preparation for minorities.

We would urge the subcommittee to include these measures in the 1984 reauthorization bill.

Thank you.

Senator **Grassley**. Thank you, Anne.

[The prepared statement of Ms. Turpeau and responses to questions of Senator Grassley follow:]

STATEMENT BY

ANNE B. TURPEAU
SECRETARY/TREASURER

THE NATIONAL CAUCUS AND CENTER ON BLACK AGED, INC.

BEFORE THE

SUBCOMMITTEE ON AGING
SENATE COMMITTEE ON LABOR AND HUMAN RESOURCES

ON

TARGETING SCARCE RESOURCES UNDER THE OLDER AMERICANS ACT

NOVEMBER 15, 1983

Senator Grassley and Members of the Subcommittee on Aging, the National Caucus and Center on Black Aged welcomes the opportunity to participate in your hearing on "Targeting Scarce Resources under the Older Americans Act." We commend you for holding this hearing. And, we fully support your goal to send an Older Americans Act reauthorization bill to the President by May 1, 1984.

NCBA believes that this is a sound strategy since there could easily be a legislative logjam next summer because of the Democratic and Republican conventions. Moreover, prompt action on the reauthorization bill can help assure that Older Americans Act programs will operate under an appropriation rather than a continuing resolution.

NCBA believes that the Older Americans Act should be extended for at least three years with basically "fine tuning" changes, rather than major substantive revisions. However, we favor stronger statutory language to target more services to elderly minority groups, such as aged Blacks, Hispanics, Asian and Pacific Islanders, Indians, Aleuts, and Eskimos.

The recent report by the Civil Rights Commission plus earlier equity studies for the Administration on Aging make it clear that aged minorities are not served on the basis of their need for services. NCBA supports a four-prong approach so that services and other opportunities are more readily available for minorities. These measures, I am pleased to say, have strong support. They are urgently needed now and are legislatively attainable.

Stronger Statutory Language to Serve Older Minorities

First, stronger and more precise statutory language must be enacted to assure that older minorities are more equitably served under the Older Americans Act. The present standard--based on "greatest economic or social need"--is simply too easy to circumvent. As a practical matter, it is not sufficiently clear for the average services provider or area agency on aging director.

NCBA believes that the Older Americans Act should state affirmatively that older minorities are a priority group for receiving services under Title III. Moreover, the minority elderly should receive services relative to their need for home health care, transportation, employment referral and other services. In fiscal year 1982, the minority aged received about 18 percent of the services under Title III. We believe that the minority elderly participate at about twice the current level--somewhere in the 33 to 38 percent range.

This target is based on the following formula. Minorities constitute about 13.2 percent of the 60-plus population. Poverty among the minority elderly is nearly 2.8 times as great as for aged Whites. And, 13.3 percent multiplied by 2.8 equals 37.2 percent. This provides a rough approximation of the minority aged's relative need for services.

We recognize that it may not be possible to reach this objective immediately. Obviously, there must be some interim goals.

But, the 33 to 38 percent target should be an ultimate objective by 1987. The Title V Senior Community Service Employment Program currently has a 33-percent participation rate for older minorities.

These goals should be implemented after a comprehensive and prompt needs assessment is undertaken. Accurate and current information should also be kept to chart the progress in implementing these goals.

You do not need to be a gerontologist or have a "Ph.D." behind your name to realize that the minority aged have a greater need for services than the nonminority elderly. David Guttmann's equity study for AoA--entitled "Perspective on Equitable Share in Public Benefits by Minority Elderly"--found that the minority aged's need for public benefits in the Washington, D.C. metropolitan area was about two to three and one-half times as great as for the nonminority elderly. This is consistent with our assessment. Our stronger statutory language, we firmly believe, will enable older Blacks and other minorities to be equitably served under the Older Americans Act.

Increased Training, Employment and Contract Opportunities

Second, positive steps should be taken to promote jobs, training, and contract opportunities for minorities. These efforts can produce greater sensitivity to the problems and challenges confronting older minorities. Some inroads have been made in hiring minorities in the field of aging, although usually at lower levels. We believe that minorities should be actively recruited for management, administrative, policy-making, and decision-making positions. These efforts should be buttressed by employment-related and on-the-job training to advance current minority workers in the field of aging and to upgrade the skills of others.

We support specific statutory language calling upon AoA to consult with national minority aging organizations, state offices on aging, and area agencies on aging, and others with expertise to promote employment and training opportunities for minorities in the field of aging and additional services contracts with minority enterprises. This should be accompanied by appropriate target goals and time tables.

Here again, NCBA believes that it is essential to have accurate and current data, such as the percent and number of minority support staff at AoA, state offices on aging, and area agencies on aging and the amount and percentage of funds received by minority contractors under Title III.

Furthermore, every effort should be made to develop staff sensitivity skills concerning the unique problems, traditions, and customs of minority older persons. For example, contractors delivering meals at a senior citizens center should be fully aware of the different dietary preferences among the minority aged.

Effective Monitoring

Third, there must be effective monitoring to implement these provisions fully. NCBA favors the establishment of a unit within AoA to carry out this objective. This unit should be more than just a watchdog. It should provide technical assistance so that older minorities can be effectively served under the Older Americans Act.

The monitoring unit should also work with state and area agencies on aging to assist them in implementing the targets established in this legislative package. We believe that a spirit of cooperation is the most effective way to target more services to elderly minorities and provide increased employment opportunities in the field of aging for minorities, as well as additional services contracts for minority firms.

Reinstatement of Cranston Amendment

Finally, NCBA urges the Subcommittee to reinstate the Cranston Amendment which authorized AoA to assess the need for training minority group individuals to meet the services needs of minorities. This measure was formerly section 404(a)(6) of the Older Americans Act. However, it was dropped when the 1981 Amendments consolidated Title IV under a restructed Part A Education and Training and Part B Research, Demonstrations and Other Activities.

NCBA favors the reinstatement of the Cranston Amendment because it would make clear that training of minority group individuals is specifically authorized under Title IV of the Older Americans Act. In addition, it would provide greater visibility for career preparation training for minorities. This is essential to attract more minorities into the field of aging.

Conclusion

All Americans--whether they are young or old--have a vital interest in assuring that our national policies affecting older persons are built on a sound and secure foundation. Congress enacted the Older Americans Act in 1965 in response to the graying of our population. Subsequent amendments have generally helped to update and improve the law to adjust to changing conditions. It is essential that this review and monitoring process continue.

The 1984 Amendments can make the Older Americans Act even more responsive to minorities--whether they are older persons needing services to live independently or younger minorities desiring to enter the field of aging to serve older minorities and other aged persons. Our four-prong package will help to achieve these goals. And we urge the subcommittees to include these measures in the 1984 reauthorization bill.

Once again, we commend you for holding these early hearings. We also want to reaffirm that NCBA is ready, willing and able to work with the Subcommittee in improving the Older Americans Act.

The National Caucus and Center on Black Aged, Inc.
1124 K Street, N.W., Suite 500, Washington, D.C. 20005 / 202-637-8400

NCBA

Robert C. Jackson
Founder, NCBA - 1970
(1916-1978)
Dr. Aaron E. Henry
Chairman
Samuel J. Simmons
President

January 5, 1984

The Honorable Charles E. Grassley
Chairman, Subcommittee on Aging
Committee on Labor and Human
  Resources
United States Senate
Washington, DC 20510

Dear Senator Grassley:

Enclosed are NCBA's responses to your questions to Ms. Anne Turpeau, Secretary/Treasurer of NCBA, contained in your letter of December 2, 1983.

Thank you for your interest in NCBA's views on these important issues. Please call if I can be of further assistance.

Sincerely,

Samuel J. Simmons

Samuel J. Simmons
President

SJS/bjw

Responses to Supplemental Questions for Anne Turpeau.

1. Do you think that the targeting provision of the Act should be given more prominence so that it applies across all programs authorized under the Act?

NCBA does not think that the targeting provision is adequate. We contend that minorities should be explicitly mentioned in the language for targeting. As currently formulated, moreover, the targeting provision would be inappropriately applied to training activities of Title IV. There may be some merit in explicitly targeting research and demonstrations on those in greatest economic and social need.

2. If minority group membership were to be given a preferred status in the Act should any other qualifier be attached to it - say low income or vulnerability? That is, should one have to be not only minority but also low income or vulnerable in order to be given preferred status?

Yes. Scarce resources must be targeted on the truly needy both to alleviate human need and to forestall costly institutionalization. Over half of the black elderly are below 125% poverty. By qualifying minorities as poor or vulnerable, the aging network would make better use of resources. NCBA in general supports effective targeting without means testing.

3. Do you feel that the resources of Title IV have been devoted in adequate proportions to the concerns of minority elderly? If not, how can AOA's efforts be improved?

NCBA thinks that Title IV does not adequately address minority concerns. We believe that there should be a specific set aside for minority contractors and grantees in the various programs operated under Title IV.

4. Can it be argued that other federal programs effectively target the needy elderly in a degree which makes the necessity or urgency for doing so with Older American Act funds less intense?

No. It is true that some federal programs do effectively target the needy by means testing participants. Such programs as food stamps, public housing, and medicaid, for example generally do well by the minority needy. The Older Americans Act, however, supports a whole range of different services. NCBA believes that there is urgency in targeting supportive and nutritional services as a means of effectively sustaining informal networks and preventing unnecessary institutionalization. We would also like to point out that the minority elderly do have problems with other federal programs. Older blacks, for example, are underrepresented in the 202 housing program, in nursing homes, and in access to southern hospitals. The block grants have made the collection of data regarding the participation of minorities impossible.

5. Of the possible federal level options identified by Dr. Binstock as having high potential or being worth consideration for targeting for economic or social need, do any strike you as particularly worth pursuing?

Two of Dr. Binstock's options are particularly worthy, number 3, and number 9 (a) and (b), (see figure 1 of his testimony). Number 3 suggests identifying client via non-Title III programs. This has the advantage of going where the minority elderly are, i.e., churches, and social organizations. Creating set asides and requiring designations for community focal points, number 9, has historically proven to be effective and less administratively burdensome than other options.

6. Do you think that Administration on Aging data adequately reflects the number of minorities who participate in its program?

Data on participation of minorities in nutrition services is reliable as far as we know. The method for determining the participation rates of minorities in supportive services varies throughout the country. We understand that considerable estimating takes place.

What is your experience with the data base of the National Association of Area Agencies on Aging? Do you think that their data reflects accurately the number of minorities who participate in Older Americans Act program?

The data base of NASUA/N4A does report the participation rate of minorities in nutrition, transportation and housekeeping. We think that the data base could be improved in the following manner: 1) Break out the minorities by group, i.e., Black, Hispanic, American Indian, Pacific Asian. 2) Include percent of grants/contracts awarded minority contractors, and amount of dollars so awarded. 3) Include occupational levels for minority staff, also broken out by minority group. 4) Most importantly, if the figures could report on at least a statewide basis it would be helpful. We would like, if possible, reporting at the agency level.

Senator GRASSLEY. Louise?

Ms. KAMIKAWA. Thank you, Senator Grassley, and thank you for the opportunity to give some testimony this morning around an issue that is very strategic to the reauthorization of the Older Americans Act. And of course, my testimony will speak to and address the needs of Pacific Islanders and Asian Americans.

I must say before I start, as a preamble, a number of things. One, is that under the Older Americans Act, to a large extent, the visibility of the needs of Pacific Islanders and Asian Americans have come to the fore. Traditionally, Asian Americans have been looked upon as synomonous with being oriental usually Japanese, Chinese; and quite frankly, there are 18 groups that are represented by our organization, and the diversity is great, but so is the homogeneity.

I might also add that I think it is very important that one keep in mind that a minority perspective and inclusion of minority language within the reauthorization is not preferential treatment, but that it is very much in keeping with the beginning of this country. The Constitution was written by minority opinion. It is with that effort, of course, that we have been able to accomplish and refine a system to meet the needs of a greater proportion of the population. It is true, as stated by Secretary Hardy earlier, the general status of the aging population has been strengthened in this country. However, to a large extent that is not inclusive of the minority population, and I must say from our perspective, of Asian Americans and/or Pacific Islanders.

With that, I would like to start my presentation. The Civil Rights Commission report, as well as several other earlier "equity" studies funded by the Administration on Aging, make it abundantly clear that the Pacific/Asian elderly are not equitably served by Federal income maintenance or service programs, particularly when assessed to their needs.

Dr. David Guttman has done a study, Dr. Jose Cuellar has also done a study, and initially, many of those studies were debunked as having been done by individuals who had special interests. Subsequent to that, the U.S. Civil Rights Commission did a study that likewise has been contested by many of the organizations that were studied. However, in all of those studies, the single issue regarding minority services that has been consistently determined has been around underservice. There is no question but that that is the case, and substantiates the need to further enforce some kind of mandate around how services should be delivered.

Several issues were raised this morning, and I think they tend to be exclusive kinds of statements, as opposed to being inclusive. For instance, the statement that infers that flexibility is incongruous with the insertion of specific language. I think clearly, those things need not be mutually exclusive.

Moreover, targeting does not necessarily mean that certain groups would be eliminated from services; the fact is, that the proportionate represention will change. This was vividly presented by Dr. Binstock earlier I think clearly, with limited resources, such priorities need to be estasblished.

With respect to that, we recommend, of course, along with the other two organizations, that the language be changed and that it specify that minorities, low-income individuals, non-English-speaking individuals be earmarked for services. Moreover, we recommend that certain areas: employment, and training opportunities be made more accessible, and that policymaking positions be filled more proportionately with minority individuals. It is true to a certain extent that they are represented. However, when one examines at what level they are represented—I know, traditionally—and I am not sure that you are familiar with this—but traditionally, for instance, in many of the States like California and New York, Asians are hired at support staff levels—but when one looks at area agencies and State units, our representation on all levels in minimal. Irrespective of the population, our capabilities and our skills are definitely not assessed in terms of hiring practices.

I will not reiterate recommendations made by the Asociacion and the NCBA. I will only reaffirm that it is essential and strategic that they be included in the reauthorization of the Older Americans Act and they not be overlooked with respect to making an expeditious decision.

Thank you, sir.

Senator Grassley. Thank you, Louise.

[The prepared statement of Ms. Kamikawa follows:]

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TARGETING SCARCE RESOURCES UNDER THE OLDER AMERICANS ACT

Testimony of
Louise M. Kamikawa, Director
National Pacific/Asian Resource Center on Aging

Presented to
Subcommittee on Aging
Senate Committee on Labor and Human Resources
Tuesday, November 15, 1983
Washington, D.C.

BEST COPY

Senator Grassley and members of the Subcommittee on Aging, I would like to thank you for the opportunity to provide testimony at this hearing.

As my presentation today will be a synopsis of the National Pacific/Asian Resource Center's on Aging longer statement, I will ask that unanimous consent be given to have the entire text printed in the hearing record.

We support your efforts to examine, in greater depth, the major issues impinging on the reauthorization of the Older Americans Act. The primary confronting issue to be addressed is, how can the Older Americans Act be restructured to more effectively and equitably meet the needs of the minority elderly. Our perspective, of course, will primarily focus on the Pacific/Asian elderly population.

The Civil Rights Commission report - as well as several other earlier "equity" studies funded by the Administration on Aging - make it abundantly clear that the Pacific/Asian elderly are not equitably served by federal income maintenance or service programs, particularly if there needs are appropriately assessed.

David Guttmann's authoritative study, "Perspective on Equitable Share in Public Benefits by Minority Elderly," concluded: "Minority membership is a significant factor in under- and non-utilization of public benefits. That is, significantly fewer minority elderly know about or use them than do non-minority elderly;" although they had a much greater need for such benefits.

The proportionate need was approximately three and one-half times as great (for older Pacific/Asians) than the majority counterpart population. More than two out of five (43%) aged Pacific/Asians had a need for services but did not seek assistance. On the other hand, only about one out of eight (12%) non-minority older persons were simularly situated.

The National Pacific/Asian Resource Center on Aging has synthesized a comprehensive action plan which will target more services under the Older Americans Act to elderly Pacific/Asians and other older minorities. Several of these strategies - primarily the administrative recommendations - can be implemented with minimal or no programmatic costs.

STATUTORY LANGUAGE

The National Pacific/Asian Resource Center on Aging supports strong statutory language to target services to elderly minority groups. Older minorities, in our judgment should be designated as a priority group to receive services under the Older Americans Act. "Equity" should be based on need for services, rather than proportionality or other criteria. This is crucial, especially during an era of limited resources when greater targeting is necessary.

1. State Agencies on Aging - "Greatest Economic or Social Needs"

   The language in Section 305(a)(2)(E) - relating to "greatest economic or social needs" - should be replaced by the following:

   > "(E) provides assurances that minority, Indian, and limited English-speaking individuals will be priority groups for receiving Title III services. Minority, Indian, and limited English-speaking individuals shall receive services on the basis of their need for services, after a comprehensive needs assessment is undertaken. A comprehensive needs assessment shall be undertaken expeditiously to assure the prompt implementation of this provision."

2. Area Agencies on Aging - "Greatest Economic or Social Needs"

Conforming language should replace the current Section 306(a)(5)(A) by the following:

> "(A) provides assurances that the minority elderly, Indian, and limited English-speaking individuals will be priority groups for receiving Title III services and include proposed methods of carrying out the preference in the area plan. Minority, Indian, and limited English-speaking individuals shall receive services on the basis of their need for services, after a comprehensive needs assessment is undertaken. A comprehensive needs assessment shall be undertaken expeditiously to assure the prompt implementation of this provision."

ADMINISTRATIVE RECOMMENDATIONS

The Administration on Aging, state agencies on aging, and area agencies on aging should take appropriate steps to promote increased participation by aged minorities in Title III services. Accurate and current information should be maintained on the percentage of minorities receiving services. An immediate goal should be 25% participation by minorities with an ultimate goal of 33-38% participation as a minimum target. This ultimate goal (by FY 1987) is computed as follows:

> Aged minorities constitute about 13.3% of the total elderly (60 years or older) population (1980 census). Blacks and Hispanics (data are not available for other minority aged) were about 2.8 times as likely to be poor in 1982 as elderly Whites. About 11.5% of Whites 60 years or older were poor in 1982, compared to 32.3%

among elderly Blacks and Hispanics.

Participation Goal = Minority Aged proportion of Total 60-Plus Population x Relative Poverty Level for Aged Minorities Compared to Older Whites

$x = 13.3\% \times 2.8$

$x = 37.2\%$

Administrative actions initiated to assure greater minority participation (ultimate goal of 33-38% participation as a minimum target by FY 1987) in services programs, include:

- Area agencies on aging should attempt to place more services and benefit programs in neighborhoods with high concentrations of low-income minority older persons.
- More bilingual staff should be hired by local offices on aging and service providers. Language is certainly one of the foremost barriers inhibiting participation by the Pacific/Asian elderly in services programs.
- Area agencies on aging need to be more aggressive in locating more minority older persons. Outreach should be coupled with creative methods to inform and teach minority elders about public benefits, as well as necessary steps to obtain them. Inadequate outreach activities may be the most important cause for the minority aged's underrepresentation in federal benefit programs.
- There should be full compliance with the provision in the 1981 Older Americans Act Amendments to require local offices on aging to provide information and referral services in the

native language of limited English-speaking persons when a substantial number of these individuals reside in planning and service areas.

- Publications about Older Americans Act and other programs should be in languages other than English when a significant number (at least 10% of the total aged population) of limited English-speaking older persons live in a service area.
- Minorities should be more equitably represented in the planning process (e.g. advisory councils) for the delivery of services.
- Transportation should be made readily available to enable those who are not within proximity of the service to participate.

The harsh reality now is that elderly Pacific/Asians and other older minorities are not receiving the services that they need. In fiscal year 1982, aged Pacific/Asians accounted for only 2% of recipients of congregate meals and supportive services and just 1% of home-delivered meals.

AFFIRMATIVE ACTION

Another essential recommendation is to promote greater affirmative action within the aging network. As things now stand, affirmative action is given a low priority. Most relevant studies conclude that minorities are underrepresented in decision-making jobs, which are reserved primarily for those of majority status. Minorities are concentrated largely in lower-status and lower-paying jobs. Minority organizations receive only a small percentage of available funds under Titles III and IV of the Older Americans

Act. Yet, many minority firms are in a position to render unique services, such as providing culturally appropriate meals in areas with high concentrations of minority senior citizens.

The National Pacific/Asian Resource Center on Aging supports statutory language directing the Administration on Aging to take affirmative action to increase the number of jobs and service opportunities for minority enterprises. This should be done in consultation with national minority aging organizations, state offices on aging, area agencies on aging, and others. The plan should include definite goals with temetables.

Several administrative actions can be taken in connection with the proposed statutory language, including:

- Administration on Aging, state office on aging, and area agencies on aging should take positive steps to recruit minority employees and volunteers. Notices about available positions should be routinely sent to minority universities, organizations and community organizations.
- The Administration on Aging network should take positive steps to recruit minorities for planning and advisory councils.
- The Administration on Aging network should keep accurate, complete and current information about employees who are from minority groups and the types of positions that they hold.
- The Administration on Aging network should require strict nondiscrimination guidelines in all written agreements with contractors and grantees. These agreements should promote employment opportunities for minorities.

MANAGEMENT INFORMATION SYSTEM

Improved statutory language alone, of course, will not automatically assure greater equity for older minorities. An effective management information system is also necessary to measure whether the minority aged are effectively served.

The need to improve and systematize data collection is an indispensable first step in determing the adequacy of services. The present data collection system has many flaws. Older minorities, for example, may be counted several times when they receive multiple services, even though only one individual actually received services under the Older Americans Act. This has the effect of inflating the numbers and percentages of aged minorities served under Title III supportive and nutrition services, raising questions regarding the accuracy of published data.

The National Pacific/Asian Resource Center on Aging recommends the following to improve data collection:

- Administration on Aging initiate strategies, after conferring with national aging organizations, state and local offices on aging, statisticians, and others, to improve the accuracy and reliability of statistical reporting under the Older Americans Act.
- Area agencies on aging be required to maintain data concerning the number and percentage of minority persons 60 or older in the planning and service area. Minority groups should include Asian Americans, Pacific Islanders, Blacks, Hispanics, American Indians and Aleuts.
- All area agencies be directed to conduct comprehensive needs assessments by race, color, and national origin.

- Area agencies maintain accurate records showing the utilization of services by race, color, and national origin.

IMPROVE TITLE V FOR PACIFIC/ASIANS

The evidence is very clear and convincing that elderly Pacific/Asians have been underrepresented in Older Americans Act services programs. A need also exists to increase the older Pacific/Asians participation in the Title V Senior Community Service Employment Program. The record for Title V is better than Title III, but there is room for improvement. In FY 1982, older Pacific/Asians accounted for 2.6% of all Title V enrollees. Much of this participation is attributed to Hawaii which has a high proportion of Pacific/Asians in Title V. Otherwise the FY 1982 figure would even be lower. For these reasons, the National Pacific/Asian Resource Center on Aging reaffirms that the Pacific/Asian elderly participation in the Senior Community Service Employment Program should be increased.

CONCLUSION

In conclusion, older Pacific/Asians have been underserved by Older Americans Act programs. Our proposed amendments to the Older Americans Act can help to overcome this problem. Moreover, our legislative and administrative recommendations can bring more Pacific/Asian aged and other older minorities into the mainstream of American life. We urge the Subcommittee to support these proposals.

ADDENDA

The breakdown by race and nationality for minority participation in Title III services in FY 1982 is as follows:

Figures in Thousands

	Supportive Services and Centers	Congregate Meals	Home-Delivered Meals
American Indian & Alaskan Native	46 0.5%	35 1.3%	8 1.5%
Asian and Pacific Islander	178 2.0%	55 2.0%	5 1.0%
Black, Not Hispanic	1,000 11.1%	282 10.1%	64 12.3%
Hispanic	363 4.0%	125 4.5%	25 4.8%
Other	17 1.9%	7 0.3%	3 0.6%
White, Not Hispanic	7,500 82.5%	2,300 82.0%	414 79.8%

Minority participation in the Title V Senior Community Service Employment Program is nearly twice as great as under Title III of the Older Americans Act: 32.8% under Title V compared to 17.8% under Title III.

SCSEP Enrollment by Race, June 30, 1982

	Number	Percent
Pacific/Asians	1,505	2.6
Indian and Alaskan Natives	1,097	1.9
Hispanic	3,636	6.4
Black	12,507	21.9
White	38,429	67.2
Total	57,174	100.0

PACIFIC ISLAND AND ASIAN AMERICAN ELDERLY

The initial data available from the 1980 Census show the Pacific/Asian population to be approximately 3,500,000; an increase of 2 million over the 1970 census count. Of that number, there are more than 350,000 elderly in the United States. The term "Pacific/Asian" is a generic identifier which encompasses two broad ethnic minority groups: the Pacific Islanders and the Asian Americans. In turn, the Pacific Islanders include the Fijians, Guamanians, Hawaiians, Micronesians, Samoans and Tongans; among the Asian Americans are the Burmese, Cambodian, Chinese, East Indians, Indonesians, Japanese, Koreans, Laotians, Malayans, Pilipinos, Thais and Vietnamese. At minimum, there are 18 Pacific Island and Asian American groups, each having its own distinct language and culture. It is necessary, therefore, to avoid any assumption that all Pacific/Asian elderly have similar socioeconomic characteristics, language and culture; much less similar immigration histories.

The 1970 Census information showed approximately 250,000 Pacific/Asian elderly, tending to reside clustered in larger cities such as Honolulu, Los Angeles, San Francisco, New York, Chicago, Philadelphia, Seattle, Denver (Pacific/Asian Elderly Research Project, 1977: 41-54). That has changed somewhat with the influx of the Indo-Chinese Refugee Resettlement Program. The following table gives a distribution by state as of 1970.

TABLE I

PACIFIC/ASIAN ELDERLY POPULATION DISTRIBUTION BY STATE

State	Number of APIA's*	Percent of all APIA's in U.S. and Pacific Territories
California	67,245	33.2
Hawaii	47,591	23.5
New York	19,591	9.5
Illinois	6,248	3.2
Washington	5,777	2.8
Trust Territory of the Pacific	4,816	2.4
Pennsylvania	4,246	2.1
Massachusetts	3,945	1.9
New Jersey	3,818	1.9
Ohio	3,565	1.8
All Other States and Territories	35,994	17.8

*APIA refers to Asian and Pacific Island Americans.
Source of data: D.G. Fowles, Report to AoA, March 14, 1977.

Abstracted from Census and Baseline Data, A Detailed Report. pp 12-16. The Pacific/Asian Elderly Research Project, Los Angeles, August 1977.

As excerpted from Understanding the Pacific/Asian Elderly Census and Baseline Data: A Detailed Report, Los Angeles, August 1977 Pacific/Asian Elderly Research Project, the following brief profile highlights some of the Pacific/Asian population. Report based on the 1970 Census of the United States.

Percent of total aging population, 65 and older, in particular ethnicity

Chinese	6.2%	
Hawaiian	4.0%	(Attributed to Hawaiians having lower life expectancies and no outside immigration affecting population growth)
Japanese	8.0%	(41.2% of this group in 75+ age bracket, indicating a much longer life span than the general population)
Korean	3.3%	
Pilipino	6.3%	
U.S. TOTAL	9.9%	(of total United States population aged 65+)

Percent foreign-born, 65+

Chinese	66.9%
Japanese	64.8%
Korean	49.5%
Pilipino	84.2%

Percent foreign-stock with mother tongue other than English, 65+

Chinese	88.4%
Japanese	97.5%

Percent below poverty line, 65+

Chinese	28.9%	(Approximately 30% in San Francisco and approximately 40% in New York)
Hawaiian	25.7%	
Japanese	20.0%	
Korean	44.0%	
Pilipino	27.9%	
U.S. TOTAL	27.3%	

Fujii, Sharon. Understanding the Pacific Asian Elderly--Census and Baseline Data: A Detailed Report. Los Angeles: Pacific Asian Elderly Research Project, August 1977.

Of primary concern to the Pacific/Asian communities is the relative absence of data regarding the characteristics, needs and conditions of our older persons. The other three National Minority Organizations have been funded within the last five years to undertake research endeavors which would provide the basic data regarding older Blacks, American Indians and Hispanic populations. These studies will provide policy makers and program planners with the necessary information to more adequately approach the service needs of those populations. A similar national research endeavor is necessary to more clearly delineate and document the unmet needs of the Pacific/Asian elderly. Preliminary descriptive and experiential information clearly outlines the lack of access and the underutilization of services by the Pacific/Asian elderly.

The emasculating myth that discriminates against Pacific/Asians that we don't have any problems and that we "take care of our own" has permeated the policy decisions of agencies and governmental entites charged with the responsibility of helping all persons in the United States. An overview of the Pacific/Asian history and experience in the United States negates the validity of such assumptions. And, in fact, the problems of the Pacific/Asian elderly are more intense and complex than that of the general older population.

With the exception of the Japanese[1], a large percentage of the Pacific/Asian elderly are immigrants. They have been victimized by actions such as the Chinese Foreign Miners Tax of 1850, the Chinese Exclusions Act of 1882, the Japanese Alien Land Law of 1913, the Filipino Exclusion Act of 1934, the internment of 110,000 persons of Japanese ancestry in concentration camps from 1941 to 1946, and the denial of citizenship to first generation Asians in 1922, and anti-miscegenation statutes of 1935, until a Supreme Court ruling in 1967.

Unlike other migration patterns generating from Western Europe, the immigration pattern of Pacific/Asians has been systematically infused with isolation mechanisms; the denial of citizenship, of the right to own property, the threat of deportation, the lengthy incarceration in camps. The results of such racist based legislation have been to hamper the economic, social and psychological well-being of the Pacific/Asian elderly. As well, such legislation contributed to feelings of distrust, helplessness, powerlessness, fear of government and has successfully alienated the Pacific/Asian elderly from society at large. This has generated a reluctance or refusal on the part of many Pacific/Asian elderly to utilize public social and health services, contrary to the perception the Pacific/Asian Americans "take care of their own."

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[1] Census & Baseline Data, A Detailed Report, the Pacific/Asian Elderly Research Project, Los Angeles, August, 1977.

A study of New York City's Chinatown illustrates the reluctance of Asian American elderly to utilize available services (Cattell, 1962). The study found that nearly 33 percent of the older unattached males in the Community Service Society caseload had no prior contact with any agency, either public or voluntary. When one considers the multiple problems of single, elderly men, the figure is astonishing. Many of these men are eligible for public welfare support, according to the study, "but refuse to apply, or withdraw their applications when they discover the sort of personal information required."

Beyond the variation of racial discrimination and prejudice, the Pacific/Asian elderly are continually encountering obstacles to their full participation in American Society. A research report for the Training Project for Asian Elderly, funded by AoA, concluded "there is strong sentiment the Asian elderly do not receive social services because of language, racial and cultural barriers." (1973). Further, the report delineates, "health and welfare agencies have few bilingual staff, haphazard provision for non-English speaking clients, and very little publicity to the Asian community about their services."

With reference to Chinese Americans, Frederick Li and others identified language and cultural barriers to health care in The American Journal of Public Health (April, 1972). They observed that the Chinese are often poorly informed about the availability of services or find existing facilities to be inaccessible because of a language handicap. Similarly, Bok-Lim Kim (1973) has observed the Asian Americans fail to seek and use existing services to which they are entitled because of language and cultural barriers and unfamiliarity with the social service bureaucracies. Consistent with these findings is the report of the White House Conference on Aging of a study which showed that 34% of the Pacific/Asian elderly who were interviewed had never had a medical or dental examination (White House Conference on Aging, 1971).

It becomes evident that the development of more effective approaches to facilitate access to services for the Pacific/Asian elderly is sorely needed. Although, part of this problem of the Pacific/Asian elderly is lack of familiarity with social and health services; the other inhibiting factors are derived from the phenomenon of clustering; shared experiences and common language provide safety and also create isolation from the dominant society. This results in the Pacific/Asian elderly not being knowledgeable about nor availing themselves of services outside their ethnic community.

Senator **Grassley**. Mr. Elgin?

Mr. **Elgin**. Thank you, Mr. Chairman.

I am Alfred Elgin, executive director of the National Indian Council on Aging. We appreciate very much being here today to present this testimony.

I will address a lot of my remarks specifically at this time to title VI, as that is a major concern of the Indian group.

Since 1972, amendments to the Older Americans Act have clearly identified the following categories as priority groups deserving of special consideration in the provision of services and allocation of funds. In 1972 and 1973, it was termed "low-income individuals," then "minorities"; in 1972 to 1975, they mentioned "Indians," "limited English-speaking individuals" in 1972 and 1978; and finally, "persons with the greatest economic and social needs" mentioned in 1981.

Ironically, while Indian elders fit every one of these targeted categories, they remained the least served group with respect to the allocation of title III funds, where we find that, in appropriations, only 1½ percent of Indians are being served. Though this is partially the result of the choice of Indian grantees to opt for title VI, which title VI may offer some advantages over title III, we find that the direct funding in title VI, that there is also a limited number of participating tribes.

Funds appropriated for title VI serve only 83 tribes out of the 387 tribes that are declared to be eligible under the language used within that category. This means that less than 25 percent of the targeted tribes, those that are federally recognized tribes, are participating in a title specifically for Indian programs. The limited moneys that are allocated to this particular title further restrict the participation to those tribes that are in that particular category.

To support my contention that Indians are among the most economically needy in the country. I need only to cite recent figures found in the 1980 census, which showed that 61 percent of the elders had incomes which were below the national poverty level.

There is something very threatening to this needy population about not only limits and funding allocation, but in the concept of looking at this particular population from a title VI perspective. When I travel around the country and meet with different Indian groups, I find that only 52 percent of our populations still reside on the Indian reservation. Forty-eight percent of our population of elders reside off trust status, which is one of the basic eligibility factors for the Indian elderly. And I have no way of dealing with this short of saying why don't we receive services under title VI, when it is assumed that all Indians are being served by title VI, simply for the fact that it says "Indian programs." Very limitedly, only a certain portion of those larger tribes can muster the numerical figures that qualify them to serve a certain population and geographic area with the meager amount of moneys. It is a misnomer in saying that the Older Americans Act is adequately taking care of Indian needs across the Nation.

I think there are a lot of other areas, Mr. Chairman, that we could possibly target into, but I think that as you would probably ask questions concerning this population area, we would be most happy to continue and answer those questions for you.

That concludes my testimony.

Senator GRASSLEY. Thank you, Alfred.

[The prepared statement and responses to questions of Senator Grassley by Mr. Elgin follow:]

NATIONAL INDIAN COUNCIL ON AGING, INC.
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December 19, 1983

Senator Charles Grassley
Chairman, Subcommittee on Aging
United States Senate
Committee on Labor and Human Resources
Washington, D.C. 20201

Dear Senator Grassley:

We are submitting the following statement in response to your letter of December 2, 1983; we have also included some comments in answer to your Supplemental Questions which you included with the letter.

The National Indian Council on Aging is in agreement with the intent of the Older Americans Act to provide for the basic needs of all older Americans, and we support the basic concept of the targeting provisions which indicate that those who are "in the greatest economic and social need" are to be considered priority recipients of services under the Act. It is our position, however, that neither the intent of the Act, nor the targeting language are being appropriately honored -- especially with regard to the provision of services for Indian elders. Indian elders, who are undeniably among those who are "in the greatest economic and social need,"are being overlooked, underserved and discriminated against in the actual implementation of programs under the Act. We cite the following information as evidence in support of this claim:

1. According to the statement of Dorcas Hardy, Assistant Secretary of the Office of Human Development Services (cf.testimony before the Subcommittee on Aging, November 15, 1983), 96% of the total funds appropriated under the Older Americans Act are for Title III. It is significant to note that the level of participation of Indian elders in Title III programs is an overall average of 1.1%. The fact is obvious that Indian elders are underserved under Title III, and are not being targeted for services.

To elaborate further, Indian elders have become a minority among minorities in Title III programs. Minority participation in Title III has been given as 21% two years ago, and decreasing to the current rate of around 18%. While these figures are indicative of the level of participation of minorities in general, they completely obscure the 1.1% participation level of Indian elders. The needs and interests of Indian elders are clearly not being adequately addressed. Proportionately, Indian elders are the least served ethnic minority under the Act.

2. A similar situation exists with regard to Title VI (grants for Indian Tribes). Of the more than 387 Federally recognized Indian Tribes, only 83 have received Title VI grants. Many of these 83 Title VI programs are being operated only at minimal levels (due to limitations in funding), serving only one or two meals per week, and serving limited numbers of elders. The programs are unable to reach out to other elders in their areas who are in need of services, because there is a severe lack of funds and transportation to provide for them. Title VI funding levels have been comparatively low, and are not in keeping with the stated priorities of the Older Americans Act.

   Title VI regulations, requiring that a tribe or grantee be able to enroll a minimum of 75 elders, effectively exclude many Indian or Alaskan Native elders from being served by Title VI, simply because they have the misfortune of being members of a small tribe, rancheria or Alaskan village. The regulations need to be changed in order to permit all needy Indian elders to participate in the programs; and funding levels need to be increased sufficiently to permit the addition of more Title VI programs to serve those who are presently excluded.

3. Failure to direct funds properly has resulted in yet another type of discrimination. While there are a few tribes which can serve their elders to some extent under Title VI, and while a small number of the non-reservation elders are able to participate in Title III programs, there remains an overwhelming majority of Indian elders who are totally unserved by any OAA program. These are those who are either members of tribes which do not participate in Titles III or VI, or are those who are living off-reservation and, therefore, are presently beyond the reach of services under Title VI. Comparing this fact with the low participation rate of Indian elders in Title III programs (1.1%), it is evident that there are many Indian elders who live off-reservation and are unserved. The number of these non-reservation elders is greater than many people imagine: the 1980 census revealed that 49% of all Indian people live off-reservation, and this group represents a similar proportion of the 109,000 who are Indian elders. Many of these people live in

3. Adequate representation of Indian elders' needs must be assured at the State and Area Agency level and on Advisory Councils. NICOA suggests that this may be accomplished through the receiving of nominations by the Administration on Aging, and through appointments made by the Commissioner.

4. Funding must be set aside under OAA to support a full-scale needs assessment and outreach effort in order to assure that all elders who are in need are identified and reached with adequate services.

5. Finally, stringent and enforceable regulations need to be included in the Act, which will make it mandatory for AoA, State and Area Agencies on Aging, and individual program directors to comply with the stated priorities (targeting language) of the Act in both allocation of funds, and in the provision of services. It is the conviction of NICOA that extraordinary action will be required in order to bring the targeting language into sharper focus, and to make it more meaningful. We believe the language should specify Indian elders as a separate target group, so that their interests are not lost in the reporting of services delivered to ethnic minorities by State and Area Agencies on Aging.

Senator Grassley, In order to respond to your Supplemental Questions, we submit the following (answered in the order they were presented in your letter of December 2, 1983):

1. In view of the foregoing documentation of the low participation levels of Indian elders in the Older Americans Act programs, we would have to say that the language has not been given enough prominence in the Act, and that this prominence needs to be increased in such a way that the priorities are made clear under each Title, and should be reinforced with the inclusion of strict regulations requiring compliance with those priorities.

2. Since minority groups represent a large percentage of those who are cohorts in the low-income and vulnerability categories, it should be sufficient to leave the specification of target groups as it currently stands. We would not support any such means of determining low-income or other eligibility as the application of a means test.

3. While we do not have at our disposal statistics indicating levels of minority program participation in Title IV, based on our experience with the comparative levels of participation in the other Titles, and based on our experience as a Title IV program undergoing drastic reductions over the last five years, we would have to say that there needs to be some further assurance that Title IV resources will be devoted in drastically increased amounts to minority-oriented programs.

We would not anticipate that the solution would lie in the establishment of percentage quotas for participation in Title IV, but we would definitely recommend that more attention be given by AoA to their own statements of policy with regard to "priority groups." Many minority Title IV programs have been rendered almost ineffective, due to repeated cutbacks in funding over the past five years.

4. Quite the contrary; all of the documented studies available to us at this time indicate that minority elders (and especially Indian and Alaskan Native elders) are underserved by these other programs. This is due, in part, to the fact that many of these programs do not have effective outreach mechanisms (in fact, some have no outreach mechanisms at all), and there is little being done to remove barriers to access. The minority elderly are, in effect, being excluded from participation in programs to which they are entitled, despite any prioritization or targeting language which may exist in the policies of the various programs. Clearly stated, and strictly enforced, language/regulations need to be introduced if "targeting" is to mean anything at all.

5. Our statement that legislative provisions of the Act are acceptable as they are, was intended to indicate that, if the priorities which have been stated in the Act were being faithfully observed, there would be no need for a change in the language. However, judging from the low levels of participation among Indian elders in Title III, and from the inability of Title VI programs to serve Indian elders at adequate levels, it would be absolutely essential that more weight be given to older Indians throughout the Act. There need to be strictly enforced requirements that State and Area Agencies on Aging take definite steps to bring the level of older Indian participation in Title III up to parity with other ethnic groups in order to assure equality and to improve the inordinately deprived living conditions faced by Indian and Alaskan Native elders.

6. As we have stated in our letter of December 9, 1983, inadequate representation at any level (Federal Council on Aging, State Unit on Aging, Area Agency on Aging, or Advisory Council) effectively prejudges the outcome of allocations of resources, and it becomes almost inevitable that minority elders (and expecially Indian elders) will be overlooked, ignored, or discriminated against. It is our conviction that Indian elders should be given assurances of representation at every level in the decision-making process.

   As to how this representation can be achieved, it is clear that there needs to be a mandated requirement that every SUA, every AAA, and every Advisory Council, which has as a part of its service population Indian or Alaskan Native elders, should have isolated rural areas, or are residing in urban areas; but are just as isolated -- in the sense that they do not have a surrounding support group of the same culture and language to care for their needs, nor a tribal entity which can apply for direct dollars to serve their needs. Once again, it can be seen that the stated priorities of the Act, have become little more than words in the actual outworking of OAA programs, not affecting any change for the betterment of "priority groups".

The Indian elders, then, can be classified in two categories with respect to the Older Americans Act programs: a) underserved (consisting of those served by 83 Title VI grantees, and a few who participate in Title III); and b) the unserved. What is needed is not so much more targeting language, but action which is in keeping with promised priorities.

RECOMMENDATIONS

In order to correct the failure of discision-makers and service providers to comply with the stated priorities of the Act, NICOA proposes the following:

1. Substantial increases in funding for all Titles under the Act need to be made (to levels which are sufficient to fulfill the targeting obligations). Special and significant increases are needed in extraordinary amounts for Titles III, IV, and VI so that: a) more Indian elders can be reached and included in Title III programs; b) Title IV programs can be permitted to operate at levels which will truly make an impact on the efficiency and effectiveness of the other Titles, and so that there can be on-going advocacy and monitoring of programs under the Act; c) the number of people served and the number of meals served per individual under Title VI can be increased to levels which are commensurate with the real needs; and d) the number of Title VI programs can be increased, so as to include many Indian elders who are now excluded.

2. Directors of State and Area Agencies on Aging and Title III directors should be required to determine the number and location of Indian elders within their service areas, and to take definite steps to provide adequate services for these elders. Where programs do not exist to serve elders within a given locale, State and Area Agencies on Aging should be required to provide the administrative support and technical assistance necessary to develop and implement such programs in those areas.

representatives serving in meaningful capacities from among the Indian elder (or Alaskan Native) population. This could be accomplished by means of direct appointment by the Commissioner on Aging, or by the responsible authority in each of the State Units on aging.

7. Among the Federal options, No.'s 2, 4, 8, and 9(b) show the greatest potential for success. State and local options: No.'s 1, 2, 7(a), 7(b), 8(a) and 8(b). However, these options alone will not guarantee success; more is needed (see our answers to questions 2, 5, and 6).

8. Even though the data presented by AoA may adequately reflect the number of "minorities" who participate in its programs, it clearly does not reflect with any degree of accuracy the level of participation of Indian elders in the programs. The data, ironically, obscures the level of participation of Indian elders by lumping them together in the general category of minorities. Good examples of this come from the testimony of Dorcas Hardy before the Subcommittee on November 15th, in which she states: "...we have a considerable amount of evidence that Title III funds are already being targeted to persons with the greatest economic and social needs." The fact that overall Indian participation in Title III is only 1.1% is obscured by the data Ms. Hardy refers to in her statement. Furthermore, the data base of the National Association of Area Agencies on Aging, which state that "these sub-populations are being served in far greater proportions than the general aged population ..." also have missed the significance of the level of need among the Indian elders. For example, the N4A Data Base on Aging indicates that 14% of the U.S. population 60 plus are reported to be poverty, and that 60% of the participants in congregate meals ... are "low-income" people; the fact is that 61% of the Indian elders are in poverty, and their participation rate in congregate meals is low, in comparison to the others who participate in these programs. Other statistics quoted by Ms. Hardy from the N4A Data Base indicate a similar inconsistency with the real facts as they pertain to the Indian elders.

Therefore, we must conclude that the statistical information referred to above does not accurately reflect the real status of Indian elders in terms of their participation in OAA programs.

I trust the above provides adequate information for your purposes. Thank you for your help on behalf of the elders.

Sincerely,

Alfred G. Elgin, Jr.
Executive Director

Senator **Grassley**. Alan?

Mr. **Ackman**. Mr. Chairman, thank you for this opportunity to appear.

In the remaining time, I would like to focus my comments on what I see as one very visible need for targeting and a possible approach to targeting tied to that particular need.

First, I feel that the unifying concept underpinning the Older Americans Act is the mandate for the aging network to assure the development of a community-based system of services which can effectively promote the independence of older persons.

Now, there is a tremendous immediacy to the question of how and where the aging network provides leadership to care system development activities in the next several years. This question has particular relevance in the realm of community-based alternative services. As the pressures mount to reduce expensive institutionalization and hospital stays because of medicare and medicaid funding constraints, there will be corresponding increases in the level of interest in alternative care services.

Right now in the field, we see major health care providers moving into this arena, oftentimes with little concern for more than product diversification, revenue generation, or overall market share.

In light of the enormity of the medicare and medicaid problems, I feel every effort should be made to marshal whatever resources and expertise exist to build programs which can avert the need for expensive, institutionally based services wherever possible. To assure the efforts of the aging network are in fact directed toward this larger problem of care for the elderly, I believe Congress should place a more direct burden on the aging network to build local care systems which can provide the potential for reducing the reliance on hospital and nursing home care by the elderly.

Taking the idea one step further, I believe it is possible to use the targeting provisions to point up this responsibility.

Let me briefly describe the targeting concept which reflects this reasoning. Our approach to targeting is based on the concept of functional capacity or impairment. It is generally thought that older persons experience gradual declines in functioning capacity as they age. Taken broadly, functional capacity translates into a person's ability to remain independent, care for themselves, and function as an integral part of community life. We know an older person's overall functional capacity is influenced by many factors, such as economic resources, ethnicity, social networks, physical health, mental accuity, and the ability to carry out the tasks of daily living. In fact, overall capacity, functional capacity, or sometimes what we call impairment, is generally determined by measuring the losses in capacity on each of the above dimensions, using what is referred to as a multifunctional assessment process.

The concept of functional capacity itself is not sufficient to establish a targeting provision. Functional capacity has been a yardstick for measurement of the overall condition of an older person. Targeting provisions based on functional capacity would single out a particular level of functional capacity which the aging network is particularly well suited to support. In our view, there is tremendous potential for targeting Older Americans Act funding on those who are declining in functional capacity but who are not yet at risk of institutionalization. We see an ability to organize community-based care to provide a range of community-based health and social services to these persons so as to forestall further declines in functional capacity. The idea is to eliminate or at least delay further losses in functional capacity which would lead to the use of high-cost hospitalization or institutionally based nursing home care.

It appears there are several advantages to using functional capacity as a basis for targeting. First, the concept uses no single characteristic, trait, or problem as a basis for prioritizing the use of resources. The concept is tied to a person's overall condition.

Second, the concept provides a better basis for making decisions on what the character of community-based care should be—for example, service priorities can be more clearly established.

Third, it forces the Older Americans Act programs to demonstrate their contributions in responding to the larger, immediate issues of medicare and medicaid financing.

Fourth, it provides the simple language for discussing how a care system for the elderly should evolve at the local level. People find that—we find that we can develop a clearer picture of a person who is well, declining or frail than someone who is socially and economically needy.

In terms of recommendations, I would urge inclusion of targeting provisions in the act. I believe language should be added which addresses serving the impaired elderly on a priority basis. I am not convinced the Older Americans Act programs are well equipped to serve the needs of the very frail, severely impaired population. However, I believe the aging network can be effective in organizing a community-based care system for older persons who have experienced substantial losses in functional capacity which, if unchecked, can lead to rapid deterioration or the risk of institutionalization.

While I recommend the inclusion of language highlighting the priority in meeting the needs of the impaired elderly, any such provision should be a supplement to, not a replacement for, provisions which would require priority being given to meeting the needs of the minority and poor older persons.

I would not recommend percentage allocations tied to any target provision including any provision related to functional impairment. State and area agencies should, however, be required to show how they will provide outreach and service access capacities responsive to the needs of those who are moderately impaired.

Thank you for considering my views.

[The prepared statement and responses to questions asked by Senator Grassley of Mr. Ackman follow:]

STATEMENT
OF THE
THE ASSISTANCE GROUP FOR HUMAN RESOURCES DEVELOPMENT, INC.

PRESENTED TO:
THE SENATE SUBCOMMITTEE ON AGING
AS PART OF HEARING ON

TARGETING UNDER THE OLDER AMERICANS ACT

PRESENTED BY:

Alan F. Ackman
President
The Assistance Group for Human Resources Development, Inc.

November 15, 1983

Statement of The Assistance Group for Human Resources Development, Inc.

Mr. Chairman, my name is Alan Ackman, I am President of The Assistance Group for Human Resources Development, Inc. We are a private, research and development organization based in Washington, D.C. Much of our practice involves provision of technical support to organizations who plan, manage, or provide services to the elderly. We have provided support to State and Area Agencies on Aging since 1972 in the areas of program design, and financing.

My testimony reflects our experience working with State and Area Agencies to design local aging programs which could be targeted to specific population groups. I would like to cover the question of what we see as the purpose of targeting and offer a possible approach to targeting based on the concept of functional capacity of older persons.

Purpose and Use of Targeting

Targeting cannot be isolated as an issue regardless of whether we are framing national legislation, devising state-level policies on resource allocation, or providing a set of direct services to an older person in a community. To be felt, targeting decisions must permeate the entire structure and design of Older Americans Act programs. For example, targeting decisions should be the basis by which service priorities are established, program development activities are prioritized, and the capacities of the State and Area Agencies strengthened over time. Given this view, it is important to analyze how targeting decisions should be reflected in the operation of Older Americans Act programs.

The unifying concept underpinning the Older Americans Act is the mandate for the Aging Network to assure the development of a community-based care system which can effectively promote the independence of older persons. To be effective we believe a care system has four basic components:

1) A Continuum of Direct Services, capable of providing a flexible response to the changing service needs of an older person. This includes at a minimum, the range of in-home, and/or community based

social, health, and housing services required to help the older person live as independently as possible.

2) An Organized Process for Service Access, designed to assure an individual older person's needs for services are identified, and responses provided. Normally, information and referral or case management services are thought of as types of service access activities.

3) A Process for Management, to be used by the Aging Network to plan and control the performance of the care system consistent with the basic policies established for the Older Americans Act, including any policies on targeting.

4) A Process For Program Development, which organizes and directs the efforts of Aging Network staff in building community level commitment and support to the provision of support to the elderly.

What does targeting mean within this context? At a local level we must be sure all the components of the care system are in place and fit together. The design of the pieces is in turn shaped by decisions on targeting. Thus the character of each component of the care system is influenced by the population to be served on a priority basis. It is not enough to simply establish the priority and then reflect the priority in piecemeal fashion.

My preference is to use targeting decisions to help promote further development and improvement of the community based care system. Therefore, targeting has a two-fold purpose. First, it assures formal commitments are made to reach out and serve, on a priority basis, those in greatest need. Second, targeting provides a focus and sense of direction to care system development activities.

In most localities we cannot say a community-based care system for the elderly exists. There is still considerable fragmentation in service delivery. Lack of adequate service access is oftentimes a major constraint to service utilization. Planning is too often a perfunctory exercise and rarely opportunistic. Program development activities are frequently isolated initiatives which do not necessarily further the development of a community-based care system.

Now there is tremendous immediacy to the question of how and where the Aging Network provide leadership to care system development activities in the next several years. The question has particular relevance in the realm of community based alternative services. As the pressures mount to reduce expensive institutionalization and hospital stays because of Medicare and Medicaid funding constraints, there will be a corresponding increase in the level of interest in alternative care services. Major health care providers are already moving into this arena, oftentimes with little concern for more than product diversification, revenue generation, and overall marketshare. There is a need for local leadership and expertise.

The Network can and must take a strong role in helping providers, payors and the elderly themselves introduce more effective, and pervasive community-based care. In this role the Network must speak for those who are disadvantaged and assure their needs receive special attention.

Proposed Targeting Alternative

Our approach to targeting is somewhat different in technique from those previously presented; however, by no means incompatible in concept. In the past three years we have worked with a framework for targeting based on the concept of functional capacity of an older person.

It is generally thought older persons experience gradual declines in functioning capacity as they age. Taken broadly, functional capacity translates into a person's ability to remain independent, care for themselves, and function as an integral part of community life. We know an older person's overall functional capacity is influenced by many factors such as economic resources, ethnicity social networks, physical health, mental acuity, and ability to carry out the tasks of daily living. In fact overall functional capacity or what is sometimes called "impairment" is generally determined by measuring the losses in capacity on each of the above dimensions, using what is referred to as multi-functional assessment process.

The concept of functional capacity itself is not sufficient to establish a targeting provision. Functional capacity is but a yardstick for measurement of the overall condition of the older person. Targeting provisions based on functional capacity would single out particular levels of functional capacity which the Aging Network is especially well-suited to support.

In prior studies of the functional capacities of the older population, we find most of the elderly have little or no impairment (i.e. 40-45%). At the other extreme we find a small number of elderly who are severely impaired (i.e. 7 - 11%) -- those considered frail, and in need of extensive service supports. Between these extremes we find a population group who are moderately or generally impaired, but could not be considered at risk of institutionalization.

Historically our programs have focused on either those with lttle or no impairment or those with severe impairments. For example, the Older Americans Act programs are more focused on those elderly without extensive overall impairments. By contrast Medicare and Medicaid are heavily committed to those considered to be severely impaired.

In our view there is tremendous potential for targeting Older Americans Act funding on those who are declining in functioning capacity but not yet at risk of institutionalization. We see an ability to organize community-based care to provide a range of community based health and social services to these persons, so as to forestall further declines in functional capacity. The idea is to eliminate or at least delay further losses in functional capacity which lead to high cost hospitalization or institutional based nursing care.

Implications For Community-Based Care

Targeting Older Americans Act resources on the moderately impaired or what could considered the "declining" elderly has several implications on advancement of the care system concept. For example:

1) Direct Services -- State and Area Agencies would fund on a priority basis home care services and any community based services which could be shown to forestall declines in functional capacity.

2) Service Access -- There would be a need to upgrade local capacities to assess the functional capacity of older persons, plan care and perform followup for the declining elderly. Note, however, this does not mean there is a need to create highly trained, expensive case management units. The appropriate level of service access could be called enriched information and referral -- somewhere between simple information and referral and elaborate case management.

3) Management -- The process for planning and control of community -based care would be tied to functional capacities. Area plans would show how care system development would evolve relative to the size and geographic location of those elderly considered to be moderately impaired. Service standards would relate to maintaining functional capacity. Performance contracting would incorporate not only the concept of unit cost but the expected numbers of moderately impaired persons to be served. Eventually

the Network could evolve a form of capitation for reimbursement of in-home/community based services tied to persons level of functional capacity.

4) Program Development -- The Network would focus its staff activities on creating new funding and commitments to serving the needs of the moderately impaired elderly. Of necessity the Network would become more involved in health care, especially primary health care for declining elderly. This group will need more than just health screening and promotion. They need access to rather extensive primary physician and nursing care capable of meshing with a total plan of care.

Implementation Of This Targeting Technique

The advantages to using functional capacity as a basis for targeting are several. First, it uses no single characteristic, trait, or problem as a basis for prioritizing the use of resources. The concept is tied to the persons's overall condition. Second, the concept provides a better basis for making decisions on what the character of community-based care system should be. For example, service priorities can be more clearly established. Third, it forces the Older Americans Act programs to demonstrate their contribution in responding to the larger, immediate issues of Medicare and Medicaid. Fourth, it provides a simple language for discussing how a care system for the elderly should evolve. People have a clearer picture of a person who is well, declining, and/or frail than someone who is socially or economically needy.

In our preliminary work on functional capacity, we find the distribution of the elderly population by level of functional status varies by type of population sub-group. Three years ago we obtained the computer data base created by the General Accounting Office in its study called The Well Being of Older People in Cleveland, Ohio (GAO 1977) We organized the data so as to show the relationship of functional capacity to specific population sub-groups. We explored the influence of age, ethnicity, sex, income, marital status, and education on functional capacity.

Our findings indicate the distribution of functional status within demographic cohorts of the elderly vary widely. While there is a general decrease in functioning with age for the total elderly population, there are significant groups of impaired persons among the "young" and "middle-aged" elderly as well. In general higher than average proportions of moderately and severely impaired persons appears to depend more heavily on the specific mix of demographic characteristics of ethnicity, income, marital status and education of a given cohort rather than the more commonly used criteria of age and sex. For example, the Cleveland data show Whites are less likely to be impaired than Blacks (GAO 1977).

In a companion effort we conducted an extensive review of the functional status of the Indian elderly population, in conjunction with the National Indian Council On Aging. Our results showed the functional capacity profiles of Indians/Alaskan Natives 55+ were comparable to the Cleveland elderly population elderly 65+. We also found the functional capacity profiles of rural Indians/Alaskan Natives 45+ were comparable to those 65+ in Cleveland. This further confirmed the impact of ethnicity on levels of impairment.

Based on this preliminary work we believe it is possible to take generally available Census data on the elderly and develop estimates of the elderly population by level of functional status. Should this be borne out, it would be possible to among other things base an intra-State funding formula on functional status Furthermore, our preliminary study shows it is also possible to show the range and type of service needs associated with each level of functional capacity. As the level of functionel capacity diminishes the range and intensity of service need changes.

Recommendations

I would urge inclusion of targeting provisions in the Act. I believe language should be added which addresses serving the impaired elderly on a priority basis. I am not convinced the Older Americans Act Programs are well equipped to serve the needs of the very frail, severely impaired population. However, I believe the Aging Network can be effective in organizing a community based care system for those older persons's who have experienced substantial losses in functional capacity which if unchecked can lead to rapid deterioration and the risk of institutionalization. While I recommend the inclusion of language highlighting the priority in meeting the needs of the impaired elderly, any such provision should be a supplement to, not a replacement for, provisions which would require priority being given to meeting the needs of the minority and poor older persons.

I would not recommend percentage allocations tied to any target provision, including any provision related to functional impairment. State and Area Agencies should, however, be required to show how they will provide outreach and service access capacities responsive to the needs of those who are moderately impaired.

RESPONSES TO SUPPLEMENTAL QUESTIONS
ON TARGETING SCARCE RESOURCES
UNDER THE
OLDER AMERICANS ACT

Prepared For Consideration By:

Subcommittee on Aging
Committee On Labor and Human Resources
United States Senate

Prepared By:

Alan F. Ackman, President
The Assistance Group For Human Resources Development, Inc

December 27, 1983

Responses to Supplemental Questions For
Alan F. Ackman

Responses have been prepared for each of the six questions posed by the Subcommittee on Aging concerning the targeting provisions of the Older Americans Act. The individual responses are as follow:

1. How would service needs that are not related to functional impairment, such as legal services, information and referral, counseling, and transportation be viewed within the context of your proposal?

With the possible exception of legal services, the range of health and social services required by older persons can be related to different levels of functional capacity. Functional capacity is not defined just in terms of physical disability; rather the concept incorporates the range of social, economic, mental health, physical health, and ADL (Activities of Daily Living) dimensions of an older person. When functional capacity is defined in this broader sense, it is possible to relate a wide range of services to functional capacity.

There is a rationale for a broad definition of functional capacity. The Aging Network programs should contribute to maintaining or improving a person's overall functioning capacity, or well-being. This is why the "continuum of care" language of the Act exists. For example, some elderly may be relatively healthy physically, yet suffer from a range of mental health, social and economic problems which collectively contribute to a high level of functional impairment. To help maintain the overall functional capacity of the elderly in a community, a variety of different services or continuum of services should exist. To be sure many elderly will need primarily health related services; however, it is very important a variety of social services and access services also be available. Counseling ,transportation, information and referral services are examples of such services.

In our study of the data generated by the General Accounting Office in its study called The Well Being of Older People in Cleveland, Ohio we found it was possible to identify the relationship between a large number of specific health and social services which related to different levels of functional impairment. Based on the data we were able to define 16 different levels of functional capacity. For each level we were able to identify what services were required and, in a relative sense, how much of each service was required. See Figure 1. As can be seen in Figure 1 a wide variety of services were related to functional capacity. With the exception of a service such as legal aid, it appears most health and social services exhibit some demonstrable relationship to functional capacity.

2. You indicate that local capacities to assess functional capabilities of older persons should be upgraded. Could you expand on this statement? Who would perform the assessment function and what would be the costs of implementing this system?

This recommendation was associated with my proposal to target Older Americans Act resources using the concept of functional capacity as a way for defining what groups of the elderly should be served on a priority basis. I singled out those elderly who are moderately impaired as a priority. These elderly can be characterized as experiencing problems in several different dimensions (i.e. social, economic, physical etc.). Nonetheless, the person is still maintaining a sufficiently high level of overall functional capacity to be able to remain independent.

Although a large number of the moderately impaired elderly may live with a high degree of independence, many are likely over time to experience rapid losses in functional capacity unless their overall situation is reviewed and early-on interventions provided. If the mix of required services are not provided, the individual can quickly reach the point where the only viable supports are either institutional care or extensive/expensive alternative care services. If the needs of this group are to be met, the Aging Network must be able to identify who is moderately impaired, and what services they will require to help avoid further losses in functional capacity. This is especially important as current recipients of Older Americans Act services become more impaired.

There are basically two options the Network can exercise in setting up the capacity to identify, assess and plan responses to the needs of the moderately impaired. To be consistent with past practice, Area Agencies would contract for this service using an established case management unit, social services agency or possibly an established home health agency as the provider. The problem with this option is the issue of objectivity, especially when the provider is an agency who provides a particular set of direct services. A second option is for Area Agencies, where feasible, to establish service access units in their own organization and provide the service themselves.

I favor the latter approach for two reasons. First, it sharpens the role of the Area Agency. In many cases it would diminish the sense that the local Area Agency is but an administrative unit involved principally in grants management. This is true not only in terms of what the elderly may view as the role of the Area Agencies, but service providers perceptions as well. Second, this role for Area Agencies would stimulate greater day-to-day exposure of the Area Agency staff to the needs of the elderly and improve their capacity to identify which service gaps are especially hard-felt and what program development activities could be undertaken to resolve these gaps. For example, Area Agencies would build greater knowledge and awareness of health problems faced by the elderly and the types of health care currently available to them. This approach would encourage Area Agencies to view needs and related services addressed by the Older Americans Act in a much more expansive way. This should result in better, more creative planning and program development.

As stated in the prior testimony this recommendation does not require creation of an comprehensive case management capacity. It means centralizing an Information and Referral service, locating the I&R service in the Area Agency, and augmenting the I&R service with the capacity to perform outreach, assessment, service planning and followup. To the extent possible, staff would be oriented in the use of multi-functional assessments, the techniques of service planning, and the procedures for systematic followup and reassessment. In addition, it would require establishing coordination procedures with those agencies providing pre-admission screening to nursing homes or case management to the frail elderly.

I believe the Long-Term Care Gerontology Centers could play a valuable role in helping Area Agencies assume this new role. It would provide the Centers a tangible, immediately useful role in building the capacities of the Network. It may also be necessary for AoA to sponsor some limited level of technical assistance to State and Area Agencies in relating this new role to their planning and program development responsibilities.

With respect to funding the assessment and planning function, it is possible to envision an approach where the service is funded through diversion of existing Program resources. The decision of where to divert resources should be left to each Area Agency. If such an approach were adopted, each Area Agency would have to carefully analyze its existing Program and determine which services or Area Agency staff activities could be replaced through other resources. To gain maximum effect with this approach, it would also mean Area Agencies would need to target funds on those services which are key to serving the needs of the moderately impaired (e.g. homemaker, transportation, home delivered meals etc.)

3. What do you mean by targeting resources on the moderately impaired elderly as a "supplement to" not a replacement for, provisions giving priority to low income and minority older persons? For instance, would a minority older person also have to be moderately impaired?

Greater emphasis should be given to the targetting of resources for the moderately impaired. The "moderately impaired" would serve as the most encompassing priority. Within this category, priority could be given to the low-income and/or minority elderly.

4. Compared with the major health care programs, (Medicare, Medicaid) for the elderly, the Older Americans Act is characterized by scarce resources for home

care services. If the Act were to concentrate on these services for the functionally disabled, would'nt these resources be used up rapidly by a small group of individuals?

In my testimony I made a distinction between those who are moderately impaired and those who are frail or serverely impaired. I presented a proposal for serving the moderately impaired on a priority basis. The home care needs of the moderately impaired elderly will not be as great for those of the frail elderly. However, targeting the moderately impaired would require a shift of some senior center funding to home care services. This could result in reduction in the total number of elderly served, unless the State and Area Agencies can replace the resources committed to the softer, center-based services with other funding or inkind resources.

5. Title III contains language that resources under the Act support a "continuum of care for the vulnerable elderly". Do you have any thoughts on how this language should be amended?

I would favor language which introduces the notion of functional capacity into the Act. Resources in the Act would support a "continuum of community based care for those with diminished functional capacity but not at risk of institutionalization." This clarifies the role of the Act's programs in the long term care system, especially in terms of the alternative care services provided through either Medicaid or Medicare. These latter services would be targeted to serve the frail elderly.

6. Of the possible federal level options identified by Dr. Binstock as having high potential or being worth consideration for targeting for economic or social need, do any strike you as particularly worth pursuing?

The relative attractiveness of the various federal level options for targeting economic and social needs must be put in context. If a targeting provision is to have an impact on local programs, the targetting provision has to be supplemented by: 1) a very clear definition of the needs to be addressed (an operational definition); 2) development of cost effective mechanisms for identifying people with those needs, and 3) a clearly defined set of services to be funded on a priority basis which are felt to be responsive to the targetting provisions. Implementation options must satisfy all three criterion.

I find it difficult to identify a set of high potential options or those worth consideration which will meet the above criteria. This is based on several impressions. First, the options address implementation of targeting related to economic need by itself. It appears there are no options which address the social needs per se. Furthermore, there is a question of what constitutes economic or social need. Dr.Binstock's proposals should be considered in the context of what will be adopted as a definition of economic and social need. I would hesitate to evaluate the implementation alternatives without knowing the precise definition of what is being implemented as the targeting provision.

Second, the options are administrative in character and as such are silent on specific programmatic options which could meet the economic and social needs. What are those services? Being poor can manifest itself through many different functional dimensions -- physical health, ADL, IADL, social, as well as economic. How do we define which of these areas of functional loss are used as a basis for defining priority service responses?

Third, any selected option should incorporate a commitment to implement outreach and assessment procedures at the local level which will determine who has an economic need. This suggests a means test which can lead to the "welfare" stigmatization addressed by Dr. Binstock. By contrast creation of processes to identify those who moderately impaired would not be faced with the problem of the "welfare stigma."

In summary the primary problem remains the use of a targeting provision which is loosely defined "economic and social need". Implementation options, regardless of their form, cannot remedy the deficiencies caused by the current definitions or lack thereof.

Figure 1

STUDY-DERIVED DATA MATRIX

AVERAGE LEVELS OF SERVICE RECEIVED

UNITS PER YEAR PER RECIPIENT

GROUP MEAN RATINGS:																	
SOCIAL		2	5	2	3	4	5	2	2	3	5	2	3	3	5	2	3
ECONOMIC		2	2	3	3	3	3	2	4	4	3	3	4	2	4	3	4
MENTAL		2	2	2	3	2	3	2	2	4	3	3	3	5	5	5	5
PHYSICAL		2	2	3	3	3	3	4	4	3	4	4	4	3	4	5	4
A.D.L.		2	2	2	2	3	2	3	3	3	3	4	4	5	4	5	5
CIS SCORE (REF)		10	13	12	14	15	16	13	15	17	18	16	18	18	22	20	21
DOCTOR VISITS	VISITS	5	4	7	10	6	6	8	9	8	12	11	13	12	5	6	9
TRANSPORTATION	ONE TRIP	316	269	241	224	231	211	244	258	146	140	191	172	238	124	100	106
FINANCIAL AID	DOLLARS	1250	583	1134	896	1630	1011	1420	1218	1110	1509	1212	749	500	958	1485	1495
ESCORT	ONE TRIP	26	21	7	33	35	56	11	47	20	27	6	16	0	3	3	24
HOMEMAKER	VISITS	99	50	76	79	82	51	102	75	86	68	111	94	100	117	122	138
GROCERIES	DOLLARS	218	339	[illegible]	207	233	253	237	239	214	241	212	246	87	229	345	[illegible]
ADMIN/LEGAL	INCIDENTS	4	5	5	10	14	1	1	4	6	6	5	6	4	3	1	1
SOC/REC	SESSIONS	87	88	108	75	109	115	84	133	68	92	85	72	87	125	121	75
CHECKING	CONTACTS	15	44	13	16	80	24	11	9	22	12	12	24	80	96	15	45
HOSPITAL DAYS	DAYS	16	20	14	18	27	17	21	24	40	34	23	41	38	11	20	62
INFO & REFERRAL	INCIDENTS	3	4	1	3	3	3	2	4	3	3	3	2	1	2	1	2
MEALS	MEALS	124	0	98	155	177	115	151	203	20	144	121	159	54	114	350	165
PERSONAL CARE	VISITS	322	0	286	260	360	360	360	320	360	316	346	339	360	360	360	360
NURSING CARE	VISITS	227	92	108	230	126	95	219	182	183	161	271	279	242	270	286	318
NURSING HOME	DAYS	173	30	59	133	39	55	32	44	47	195	127	14	26	67	154	198
CONT. SUPERVISION	DAYS	1	0	6	3	1	20	2	3	4	4	0	0	1	7	1	0
EVALUATION	HOURS	1	0	1	1	1	1	3	1	0	1	1	1	1	1	1	1
MENTAL HEALTH	SESSIONS	6	0	4	4	0	4	3	4	2	12	4	1	26	15	4	7
RELOCATION SVC	MOVES	4	1	1	1	1	0	1	1	1	0	1	0	0	0	1	1
TEMP.QTR.(PLCMNT)	NIGHTS	363	365	363	329	365	330	365	365	365	365	348	300	365	365	365	365
PHYSICAL THERAPY	SESSIONS	124	25	120	101	150	80	128	150	80	150	103	105	80	13	100	150
OUTREACH	INCIDENTS	2	0	2	2	5	2	3	2	4	0	2	1	0	0	1	3
EDUCATION	HOURS	6	1	1	1	3	1	1	9	1	1	1	0	0	0	1	0
EMPL EDUCATION	HOURS	0	0	0	0	1	4	2	1	4	0	0	0	0	0	0	0
REMED TRAINING	SESSIONS	94	0	10	6	150	0	9	21	0	0	53	45	25	150	0	0
JOB PLACEMENT	PLACEMENTS	1	0	2	1	0	0	0	2	1	0	0	0	0	0	0	0

Senator **Grassley**. Some of the questions I was going to ask are answered. I still have a considerable number, and we are going to try to go through them to some extent. If we cannot, then I will ask you to submit in writing responses to the remaining ones.

I think this first one, instead of having each one of you respond to what I expect would be a positive from all of you, if any one of you would take exception to the Federal Council on Aging's position on reauthorization as it deals with the targeting provisions of the act, I would like to have you state your exceptions.

[No response.]

Senator **Grassley**. OK. Let the record show that nobody disagreed with that.

The next question: Do you think that the Administration on Aging's data adequately reflects the number of minorities who participate in the programs? I would think you would all want to respond to that.

Mr. **Affeldt**. I do not think it adequately reflects the actual participation. My reasons for this conclusion are these. First, there are instances where you have double counting under the Older Americans Act, because it is based on units of service.

Second, I think that in some cases, the data are not accurately recorded. The data may actually turn out to be estimates or guesstimates. Third, whenever you have a human factor involved, there is always the possibility for error.

But I also want to add, this is probably the best data available, and we rely on it, However, I do think it can be improved.

Senator **Grassley**. I should have also asked you and I will ask each of you to comment on the same point in regard to reporting by the—or, the data base of the national AAA organizations, agencies—or, would your comment be the same?

Mr. **Affeldt**. My comments would be essentially the same. I think that there are errors there. I am sure that the data were honestly collected, and an attempt was made to insure accuracy. But there would be clearly miscounting, in my judgment.

Senator **Grassley**. Anne, would you care to comment?

Ms. **Turpeau**. I would concur with his statement.

Senator **Grassley**. Louise?

Ms. **Kamikawa**. Senator Grassley, I think the issue gets to be a larger one which is that traditionally, in many of the human services programs, the collection of data has been inaccurate, but I would say with respect to the aging network, this has particularly been true, and that one of the recommendations, of course, that was made is that a more effective management information system be instituted, whatever cost that is—not only at the cost, but because you are talking about public dollars, and it is our experience and just doing some statistical analysis—and prior to this time, I did call a number of AAA's, and I said to them, "I am using this information, so you need to know this," which is that to a large extent, the way they collect data is to say, "In our county, or in this particular county, the representation of low income is 19 percent." And so by and large what we do in our data collection is to indicate that that is what we are serving.

Moreover, I heard this in testimony this morning, and I have traditionally heard this from Human Services people and people who deliver services, and that is that data collection is becoming overwhelming, that it is starting to be a paperwork organization, and if you make everybody jump through hoops, then you are not going to get the services. Quite to the contrary, doing a study with some of our indigenous programs, one in San Francisco, one in Los Angeles, and one in Chicago, quite frankly, at least from our perspective, what is needed is more accurately statistical analysis, because what most—for instance, I will take the one in San Francisco, which does accurate reporting, because it is essential to them to know how many people they are serving, because currently, they are serving 41 percent of majority population persons. So to that extent, they are trying to document who they serve and who they do not serve. So they have implemented a means of getting that information rather than serving their meals, that accurately portrays the population that they serve.

So I think it is very essential, and I will make a position that currently—it is true—the only available and the most accurate information that is available nationally is through AOA. However, I think it is sorely ineffective and inadequate and does need to be shored up. I might also add that in their statistics that they have noted in the last 2 years that minority participation in the program has dropped by 2 percent. Now, 2 percent, in a large perspective is not much, but when you are talking about the fact that you are only serving minorities at what they consider to be an 18-percent level, that is large.

Mr. Elgin. We do not comment too much on numbers, simply for the fact that our numbers barely show up. If you look on the Federal Council, there are no Indians on that particular Council. If you look at the Administration on Aging hierarchy of staff at the Administration office here in Washington, D.C., you will not find any Indians employed. If you take the civil rights report and go right down every column just about, Indians are not even counted there. So, we are not too much on numbers right now. We just do not register on a lot of the computers.

Mr. Ackman. My experience is a little bit different, I think, than the other members of the panel, because I think the issue is, is accuracy traded against cost, and awareness of why we need the information. I think one issue is whether we need to know nationally in terms of how well we are doing in terms of meeting the provisions of the act. The other reason why we need to have the information on who we are serving is as a basis for doing a better job of management of local programs. From what I have seen in the last few years is an increasing awareness of the need to do a better job of finding out who we provide the services to, to the point where I think you can show by illustration any number of agencies, which right now are collecting data on every service unit that is provided every month at every site to a particular provider, and being able to address the issue of the unduplicated clientele and be able to have a very accurate profile. But what we have to understand is that to the extent that we try to make that a pervasive characteristic or requirement at a national level, there are some implications in terms of what kind of capacity and what kind of resources we are going to commit to that level of reporting.

I quite frankly would be happy to see us do much more of that, because I cannot, quite frankly, see how one can manage what is in many ways a pretty good-sized program on the local level, without knowing how you are serving and knowing how that performance stacks up with what we are trying to accomplish and what we have specified as our goals and objectives in a particular area plan.

Senator **GRASSLEY**. My next question is for you, Louise. Given all the claimants for preferential treatment under the targeting provisions of the act, how can we devote 37 percent of the resources of the act to minorities, as suggested by some of your statements? And if my perception of your statements is wrong, then you can feel free to correct me.

Ms. **KAMIKAWA**. Senator Grassley, the position that we are taking is that if we are targeting with limited resources, then we need to identify those individuals who need the greatest, irrespective of their proportions in the population. For instance, Al has indicated that statistically, Indians are not significant. What we are proposing is that if you take just the statistics that are available in the census data with respect to Hispanics and blacks, they are apt to be almost three times greater in need—determining their income level, which is below the poverty level, the Bureau of Labor Statistics analysis—and multiply that by the population, that is where we come up with anywhere between 33 to 38 percent of the amount of dollars allocated to be appropriated for that population—not just the blacks and Hispanics, but minorities.

Senator **GRASSLEY**. Dave?

Mr. **AFFELDT**. If I could just add something here, Senator Grassley, in connection with title V—where you have similar language that is being advocated by a number of the minority organizations—the participation level is 33 percent. I think this is consistent with what the needs are. As Louise said, minorities constitute about 13.3 percent of the total 60-plus population in the United States. If you factor in poverty and the relative poverty level among minority aged persons compared to the Anglo elderly, it is about 2.8 times as great. So 13.3 percent times 2.8 gives you roughly about 37 or 38 percent. What we have suggested is that this is a goal. We are not suggesting that there be quotas, but this gives some relative idea of what the need is. It is also consistent, as I said before, with title V's senior community service employment program, where minorities receive about 33 percent of the positions.

Senator **GRASSLEY**. On another point, if any of you give consideration to the fact that physical or mental impairment should be used as a descripter of need under the act, I would like to have you state that, and if you are silent—yes?

Mr. **ACKMAN**. I would basically endorse that concept, because I think that is really in many ways what is implicit when I refer to the concept of functional capacitor impairment. I was making the argument that we really need to look at the whole person when we establish priorities, and that we are not trying to single out any one particular trait or characteristic or single problem as a basis for targeting a program of this importance; that I would like to see a situation where we begin to encourage the network to move to deal with some of the more fundamental physical health problems and mental health problems that the elderly face, because I fee like there is a direct relationship between that accelerated priorit and the ability to demonstrate that the Older Americans Act pro gram can begin to have some impact on our utilization of medicar and medicaid.

Senator GRASSLEY. Louise, did you want to speak on that point

Ms. KAMIKAWA. Yes; I do, not necessarily in disagreement wit your comment, but I think to the extent that Dr. Binstock was indicating that if one considers targeting for basic economic needs short of means-testing—which I will state is not necessarily on which are opposed to—I do not believe necessarily that the stigmatization has to occur, nor is it necessarily true that people will not support it; that is, the title V program, which most individuals in the aging community would state that that is one of the more successful programs in the Older Americans Act, and it is means-tested, and we think people need to examine that as a position in terms of deciding to reissue policy, national policy, around the Older Americans Act.

But I think with respect to looking at those particular indicators, mental functioning, I think one needs to set some priorities about that, because otherwise, what is currently happening now with respect to the State funding or the formulas is that everybody diversifies sufficiently that it basically undercuts the intent.

Senator GRASSLEY. OK. Anne.

Ms. TURPEAU. My observation is that perhaps the social services block grant may be the more appropriate money for dealing with this problem and that the planning function, perhaps, should be maintained or carried on through the AOA money, rather than the targeting for this particular population.

Senator GRASSLEY. Thank you.

I think I will make this my last question, and then I will have three or four that I will have to submit in writing. This would go to you, Louise, because your statement contained a number of suggestions for administrative and management improvements to insure improved participation of minority groups in the program under the act.

To what extent is the targeting issue a management and administrative issue of the Administration on Aging, as opposed to one that would call for a legislative remedy?

Ms. KAMIKAWA. The dilemma in that—and I know Dr. Binstock's position was that the issue really gets to be an implementation one—but from our perspective, it needs to be much like the Civil Rights Act. It is essential that from the national perspective, in decentralizing, that one think of or consider the protection and accountability aspects. Therefore, it becomes very essential and incumbent upon the administration to operationalize that, but I think moreover that the more crucial thing is that there be some mandates within the law that would direct that administration to operationalize that function.

Senator GRASSLEY. You can address that if you want to, Dave.

Mr. AFFELDT. Actually what I would like to do, since you will be submitting questions for the record, is make one other point that I did not have the opportunity to because of the time limitations. That deals with the issue of maintaining the status quo with regard to the present language. My view is that would be a mistake. I think that the study by the Civil Rights Commission plus other equity studies make it clear that there is a need to improve service participation by older minorities. And once again, I want to emphasize that proportionality should not be the basis for doing this. I do not think it is appropriate to say that we are adequately serving minorities because 18 percent of the services recipients are minorities and roughly 13 percent of the aged population are members of minorities.

I also disagree with the statement that statutory language may not accomplish much. I think we do have precedent that language can make a difference. In title V, we have specific language. We have a participation rate for minorities roughly about twice the level—33 percent versus 18 percent under title III of the Older Americans Act.

I also want to state in the interest of balance, that there are probably a couple of other factors that enter into the higher participation rates for minorities under title V. One is, it is means-tested. Second, there are minority contractors who target more of their efforts toward serving minorities.

But on balance I think that statutory language would be beneficial. It has been helpful in the past, and I think it would be helpful for title III of the Older Americans Act as well as title IV.

I also believe that stronger statutory language should be tried out. The Congress would have an opportunity to review it, when the reauthorization expires. I do not think anything would be lost by testing it out and seeing what actually happens.

Thank you.

Senator **Grassley**. I want to thank each one of you for your participation in this panel, and because you do represent specific groups that maybe do not get the day-to-day attention that the Older Americans Act in general does, and as we go in the next few months into this reauthorization, I hope you will keep in touch with me and with the staff of the subcommittee, so that we can have opportunity to have further dialog on these issues.

I want to also say that the record will be open for 15 days for any changes or corrections that need to be made; if there is anybody who was not invited to participate who wants to submit something for the record, that opportunity is available within reason. And I will also ask for responses to the questions within 15 days.

Do you have something else, Dave?

Mr. **Affeldt**. One other point, Senator. I would like to commend you for holding this hearing at this early date, and I want to state that the organizations that I represent will support you in your efforts to obtain early action on the Older Americans Act. I think that is sound tactically, substantively, and strategically, and you can count on our support.

Senator **Grassley**. Thank you very much.

The meeting is adjourned.

[Whereupon, at 1:07 p.m., the subcommittee was adjourned.]

[Note.—The CRS study referred to at the beginning of this hearing, and additional material subsequently supplied to the committee, will be printed in the record at this point. However, due to printing limitations and in the interest of economy, two such additional reports submitted for the hearing record were retained in the files of the committee. These reports, entitled: "Developing Comprehensive and Coordinated Service Systems for Older People: Identifying Service Needs," prepared by the Assistance Group for Human Resources Development, 10605 Concord St., Kensington, MD 20895, and, "Servicing Older Americans in Greatest Need: Approaches to Best Practices in Service Targeting—Final Report," published by the Bureau of Social Science Research, Inc., 1990 M Street NW., Washington, D.C. 20036, may be researched in the committee, upon request, or obtained by contacting the respective publisher.]

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TARGETING OF SERVICES TO SPECIFIED GROUPS OF OLDER PERSONS UNDER THE OLDER AMERICANS ACT: MAJOR LEGISLATIVE PROVISIONS, 1972-1981

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TARGETING OF SERVICES TO SPECIFIED GROUPS OF OLDER PERSONS UNDER THE OLDER AMERICANS ACT: MAJOR LEGISLATIVE PROVISIONS, 1972-1981

INTRODUCTION

One of the issues under discussion in the context of the reauthorization of the Older Americans Act in 1984 is whether, and to what extent, the Act should be amended to more clearly focus on certain groups of older persons. Some observers have indicated that, in view of the limited resources available under the Act, and the special needs of certain groups of older persons, the Act and its implementation should be more concentrated on such groups. The Act currently requires that preference in providing services under title III will be given to those older persons with the "greatest economic or social needs;" interpretation of these terms has been included in the Administration on Aging (AoA) regulations. In addition to this requirement, title III of the Act also requires the expenditure of funds on certain other groups, such as the rural elderly and nursing home residents, requires specific services to limited English-speaking persons, and authorizes services to other identified groups. Questions under discussion during the Act's reauthorization process may include:

- Should the Act identify more precisely who should be served first with the resources made available under the Act?
- Are the Act's limited resources reaching the appropriate constituency groups to a sufficient degree, and if not, how can assurances be made in this regard?
- Where should the locus of responsibility for assuring that the Act's resources are being appropriately targeted lie?

This paper traces major provisions under the Older Americans Act, 1972-1981, which have required State and area agencies on aging, and nutrition services projects, as well as the Commissioner on Aging under discretionary authorities, to direct or target services and resources made available by the Act to specified groups of older persons. A review of the Act shows that Congress has in various amendments required, or authorized, that specific attention be given to low income persons, minority groups, those with the greatest economic or social need, those with limited English-speaking ability, the rural elderly, the vulnerable elderly, older persons capable of self-care with appropriate supportive services, and physically and mentally impaired older persons. In one area--information and referral services--Congress has required that these services be reasonably accessible to all older persons. Although various provisions have required that special attention be given to certain groups, allotment of funds to States is based solely on age.

While Congress has required that priority is to be given to persons of low-income, legislative intent, as evidenced in authorizing committee reports on various occasions, has included specific prohibitions on employing a means test for participation in services made available under title III of the Act; has indicated that the program is not to be considered a poverty program; and has indicated that the Act is available to all older persons in need of services. With respect to minority groups, the Act has incorporated amendments ranging from a directive that State agencies serve minority groups through the award of grants to minority organizations in proportion to the numbers of minority older persons in the State to the creation of a separate title for one older minority constituency--older Indians under title VI.

Current law sets out responsibilities for targeting the Act's resources at the Federal, State, and local levels. At the Federal level, for example, the Act requires the Commissioner on Aging to develop regulations for States' implementation of requirements for preference for certain groups under title III and also binds States and area agencies to these requirements. The Act also requires the Commissioner to give special consideration to funding demonstration projects to meet the special needs of certain groups. Title V of the Act provides that the Secretary of Labor may not support a community service employment project unless it assures that it will meet the needs of identified groups. Congress has also given the Commissioner responsibilities for directly administering a grant program for older Indians.

While Federal regulations implementing title III legislative requirements may explain how States and area agencies must allocate funds or conduct planning responsibilities based on considerations certain groups, and the AoA is ultimately responsible for exercising oversight over States' implementation of these requirements, the exact determination as to how these requirements are implemented is made by States. As some observers have pointed out, although Federal law and regulations may set national priorities, States have substantial autonomy in implementing Federal regulations. [1] Decisions as to how to serve priority groups, in terms of the range of planning and service delivery options available, are generally made by States and area agencies. In some cases, however, Congress has been fairly specific with respect to the manner in which priorities are to be exercised, for example, by setting out funding requirements for services to older persons in rural areas and to nursing home residents, and by requiring certain services for limited English-speaking older persons.

Current law provisions are described below, followed by a summary of provisions as added by various amendments to the Act, with reference to committee reports as appropriate.

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[1] Cutler, Neal E. Approaches and Obstacles to the Definition of "Greatest Economic or Social Need." Report submitted to the Federal Council on Aging. Washington, February 1981. p. 35.

CURRENT LAW

Current law contains a number of provisions with respect to targeting of services or resources to certain categories of older persons.

Title III--Grants for State and Community Programs on Aging

Greatest Economic or Social Need

The major targeting provision, found under title III, requires State agencies on aging and area plans on aging to assure that "preference will be given to providing services to older individuals with the greatest economic or social needs . . . ." Further, State and area plans on aging are required to include proposed methods of carrying out this preference. (Sections 305(a)(2)(E) and 306(a)(5).)

In addition to these major provisions, title III contains references to other categories of older persons in the context of the purpose of the Act and in planning, funding, or service delivery requirements. These provisions are listed below.

Older Persons Capable of Self Care/Vulnerable Elderly

Section 301 states that the purpose of title III is to encourage and assist State and local agencies to develop comprehensive and coordinated service systems for older persons. In carrying out this activity, these agencies are to "secure and maintain maximum independence and dignity in a home environment for older individuals capable of self care with appropriate supportive services" as well as to provide a "continuum of care for the vulnerable elderly."

Consideration of Low-Income Characteristics Under Planning Requirements

As part of its planning responsibilities, State agencies on aging are required to divide the State into distinct planning and service areas for operation of the aging network in each State. In doing so, the State agency is required to take into consideration a number of factors, including the distribution of low income older persons residing in each area. (Other factors to be considered include the distribution of all older persons 60 and over, incidence of need for services, available resources, and boundaries of existing planning areas in the State.) (Section 305(a)(1)(E).) Similarly, under the area planning requirements, area agencies, in determining the need for services, are required to consider the number of low income older persons residing in the planning and service area. (Section 306(a)(1).)

Rural Elderly

State agencies on aging are required to give special attention to the rural elderly, through a requirement that they spend in each fiscal year an amount no less than 5 percent above the amount expended in FY 1978 for services to these individuals (Section 307(a)(1)(B)). In addition, each area agency, in conducting outreach activities to identify individuals eligible for assistance under the Act, is required to give special emphasis to the rural elderly. (Section 306(a)(5)(B).)

Limited English-Speaking Elderly

If a substantial number of older persons in any planning and service area in the State are of limited English-speaking ability, each State plan must assure that the area agency for the respective area conduct special outreach and counseling services to such persons. Area agencies must make arrangements so that linguistic and cultural characteristics of such older persons are taken into account in providing services. (Section 307(a)(17).)

Information and Referral Services for All Older Persons

State and area plans on aging are required to establish and maintain information and referral services to assure that all older persons in the State planning and service area will have convenient access to such services.

Title IV--Training, Research, and Discretionary Projects and Programs

In the conduct of demonstration projects under title IV of the Act, the Commissioner on Aging is required to give special consideration to certain specified groups of older persons. Section 422, which sets out priorities for demonstration activities, requires that the Commissioner give special consideration to the funding of rural area agencies to conduct model projects devoted to the special needs of the rural elderly. (Section 422(a).) The Commissioner is also required to give special consideration to projects which will meet the special needs of, and improve service delivery to, low income minority, Indian, and limited English-speaking individuals, and the rural elderly. (Section 422(b)(5).) Other provisions require demonstration projects for the homebound, blind, and disabled.

Title V--Community Service Employment for Older Americans

Title V, which authorizes community service employment opportunities for low income persons 55 years or older (with priority for persons 60 or older), is the only program under the Act in which participation is governed by a means test (that is, income less than 125 percent of the poverty level). The law requires each project to assure that, to the extent feasible, it will serve the needs of minority, Indian, and limited English-speaking eligible individuals in proportion to their numbers in the State. (Section 502(b)(1)(M).)

Title VI--Grants for Indian Tribes

Title VI authorizes appropriations for supportive and nutritional services for older Indians which are comparable to services provided under title III of the Act.

SUMMARY OF MAJOR PROVISIONS, 1972-1981

The 1972 amendments to the Act, which authorized the national nutrition program for the elderly under title VII, included a requirement that State agencies on aging award grants to nutrition projects serving primarily low income individuals, and provide assurances that, to the extent feasible, grants be awarded to projects operated by and serving the needs of minorities, Indians, and limited English-speaking older persons in proportion to their numbers in the State. The 1973 amendments, which created the area agency on aging structure under title III of the Act, included a reference to elderly with the greatest economic and social need, and to low income individuals as part of the State and area planning requirements. Congress recognized the special needs of minority older persons in the Senate Committee on Labor and Public Welfare report language, but did not include specific reference to minorities in the 1973 law itself.

The 1975 amendments added a new State plan requirement that the Commissioner on Aging reserve a portion of funds for older Indians in States where a determination was made that such persons were not receiving benefits equivalent to other older persons in the State.

In 1978, when the nutrition program and the State and area agency on aging program were combined into an expanded title III, the law was amended to require that State and area agencies assure that preference be given to those older persons with the "greatest economic or social needs." These amendments also added a new title VI for grants to Indians, funding requirements for services to rural older persons, and a reference to the vulnerable elderly.

Regulations implementing the nutrition program under title VII and the State and area agency on aging programs under title III in effect prior to 1978 contained various requirements that the respective programs focus on the needs of low income and minority older persons. When these two programs were consolidated into an expanded title III in 1978, regulatory references to low income and minority older persons were replaced by regulatory language designed to parallel the new legislative language referring to older persons with the "greatest economic or social needs."

The 1981 amendments included a requirement that State agencies take steps to assure that the special needs of limited English-speaking older persons are recognized.

1972 Amendments (P.L. 92-258)

P.L. 92-258, enacted March 22, 1972, created the national nutrition program for the elderly as title VII of the Act. The statute set out the findings and the purpose of the new legislation as follows:

> Many elderly persons do not eat adequately because (1) they cannot afford to do so; (2) they lack the skills to select and prepare nourishing and well-balanced meals; (3) they have limited mobility which may impair their capacity to shop and cook for themselves; and (4) they have feelings of rejection and loneliness which obliterate the incentive necessary to prepare and eat a meal alone. These and other physiological, social, and economic changes that occur with aging result in a pattern of living, which causes malnutrition and further physical and mental deterioration.
> . . . there is an acute need for national policy which provides older Americans, particularly those with low-incomes, with low cost, nutritionally sound meals served in strategically located centers such as schools, churches, community centers, senior citizen centers, and other public or private nonprofit institutions where they can obtain other social and rehabilitative services. Besides promoting better health among the older segment of our population through improved nutrition, such a program would reduce the isolation of old age, offering older Americans an opportunity to live their remaining years in dignity.

The House Committee on Education and Labor report stated that the bill provided for the participation of persons aged 60 or over who meet one or more of a number of conditions as described in the statement of purpose of the legislation. 2/

Another section of law required States to give preference in funding projects to those which serve primarily low income persons. Further, States were required to assure that grants for the new program would be awarded on a proportional basis to projects operated by, and serving the needs of, minority, Indian, and limited English-speaking older persons. Specifically, Section 705 (a)(4) 3/ required a State plan to:

> . . . provide that preference shall be given in awarding grants to carry out the purposes of this title to projects serving primarily low-income individuals and provide assurances that, to the extent feasible, grants will be awarded to projects operated by and serving the needs of minority, Indian, and limited English-speaking eligible individuals in proportion to their numbers in the State.

The Senate Committee on Labor and Public Welfare and House Committee on Education and Labor discussed this provision in reports accompanying passage of the legislation. Using identical language the reports indicated that the nutrition program was aimed at overcoming problems related to social isolation, and that while no income limitation was specified in the legislation—

> . . . all of these problems are particularly acute among elderly persons who have low incomes or whose racial or ethnic background accentuate their isolation from society. Therefore, the . . . bill provides that the states, in awarding grants for nutrition projects, must give preference to those serving primarily low income individuals and, to the extent feasible, grants are to be

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2/ U.S. Congress. House. Committee on Education and Labor. Nutrition Program for the Elderly Under the Older Americans Act of 1965, as Amended. House Report No. 92-726, 92d Cong., 1st Sess. Washington, U.S. Govt. Print. Off., 1971. p. 8.

3/ Unless otherwise noted, section numbers refer to the Act as amended at the time of this legislation.

> awarded to projects operated by and serving the needs of minority, Indian, and limited English-speaking individuals in proportion to their numbers in the state. This is not to say any exact mathematical formula must be applied to the making of grants or the allocation of funds within the state. It is intended, however, that special attention be given to eligible individuals with low incomes and that the members of the particular groups named are to be given a reasonable opportunity to participate in the program. 4/

1973 Amendments (P.L. 93-29)

The 1973 amendments made major significant changes to the Act by restructuring the title III program with the aim of improving the planning and organization of services for older persons at the State and local levels by creating authority for area agencies on aging. A number of provisions referred to persons to be served or other considerations with respect to planning for participation in developing the new program, as follows.

Elderly in Greatest Economic and Social Need

In the findings and purpose included as background to P.L. 93-29, Congress set out priorities for the new program and addressed the issue of persons to be served. Section 101(2) of the public law states that it is the purpose of the Act to "give full and special consideration to older citizens with special needs in planning such programs, and, pending the availability of such programs

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4/ U.S. Congress. Senate. Committee on Labor and Public Welfare. Nutrition Program for the Elderly Under the Older Americans Act of 1965, as Amended. Senate Report No. 92-515, 92d Cong., 1st Sess. Washington, U.S. Govt. Print. Off., 1971. p. 10; and

U.S. Congress. House. Committee on Education and Labor. Nutrition Program for the Elderly Under the Older Americans Act of 1965, as Amended. House Report No. 92-726, 92d Cong., 1st Sess. Washington, U.S. Govt. Print. Off., 1971. p. 8.

for all older citizens, give priority to the elderly with the greatest economic and social need . . . ." This language was not, however, incorporated into the Act itself.

Older Persons Capable of Self Care

A new purpose was added to title III which set out the goal for State and local agencies to develop comprehensive and coordinated service systems for older persons. In its statement of purpose, Section 301 provided that these agencies were to "secure and maintain maximum independence and dignity in a home environment for older persons capable of self care with appropriate supportive services . . . ."

Information and Referral for All Older Persons

The law required that as part of State and area plans on aging, each State/area agency was to establish and maintain information and referral services "to assure that all older persons" in the State or planning and service area have reasonably convenient access to such services. (Sections 304(c)(3) and 305(a)(7).)

Low-Income Characteristics under Planning Requirements; Reference to Needs of Minority Older Persons

The law required that low income characteristics of older persons be taken into account under the program's organization and planning requirements. While there was explicit reference to the needs of minority older persons in the report of the Senate Committee on Labor and Public Welfare accompanying the amendments, only references to low income characteristics were actually enacted, as follows: Section 304(a)(1) of the Act required that State agencies on aging,

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> . . . in order to be eligible to participate in the program of grants to states . . . (E) divide the State into distinct areas (hereinafter in this title referred to as 'planning and service areas'), in accordance with regulations of the Commissioner, after considering the geographical distribution of individuals aged sixty and older in the State, and incidence of the need for social services (including the numbers of older persons with low incomes [emphasis added] residing in such areas) . . . .

The reference to numbers of older persons with low incomes was repeated in area agency requirements for the development of a comprehensive and coordinated system for services under an area plan on aging. Specifically, Section 304(c) required that in order to be approved by the State agency on aging, each area plan on aging was required to:

> (1) provide for the establishment of a comprehensive and coordinated system for the delivery of social services within the planning and service area covered by the plan, including determining the need for social services in such area (taking into consideration among other things, the numbers of older persons with low income [emphasis added] residing in such area), evaluating the effectiveness of the use of resources in meeting such need, and entering into agreements with providers of social services in such areas, for the provision of such services to meet such need . . . .

The Senate Committee on Labor and Public Welfare report made reference to the needs of both low income and minority older persons. Specifically, it stated:

> The programs authorized under the Older Americans Act have never depended upon income as a sole criterion for eligibility for the comprehensive coordinated services provided under Title III. However, in view of the fact that some five million older Americans have incomes which fall below the poverty threshold, the Committee intends that until such services are available for all older Americans, the State agencies, in dividing States into planning service areas and developing comprehensive, coordinated service programs, give special consideration to the needs of the low income elderly.
>
> Similarly, since older members of minority groups tend to have special social problems and needs, these too warrant special consideration. 5/

5/ U.S. Congress. Senate. Committee on Labor and Public Welfare. Older Americans Comprehensive Services Amendments of 1973. Senate Report No. 93-19, 93d Cong., 1st Sess. Washington, U.S. Govt. Print. Off., 1973. pp. 12-13.

Although the law itself did not contain references to minority older persons and the Senate report referred to only low income characteristics in dividing the State into planning and service areas and in developing service programs, the emphasis given to the special needs of both low income and minorities as evidenced in congressional intent was incorporated into various Sections of the AoA regulations implementing the restructured title III programs, promulgated in 1973. References to the needs of low income and minority participation were included in regulatory provisions relating to planning responsibilities of the State agency, the composition of the State advisory committee, division of the State into planning and service areas, functions and responsibilities of area agencies, composition of the area agency advisory council, conditions for approval of the area plan on aging, and award of funds to minority organizations.

Model Projects--Physically and Mentally Impaired Older Persons

Under the authority given to the Commissioner to conduct model demonstration projects under Section 308 of title III, the Commissioner was required to give special emphasis to projects designed to provide services to meet the needs of the physically and mentally impaired older persons.

Community Service Employment Program--Low Income Priority

With these amendments the pilot project for community service employment program for older persons, known as Operation Mainstream, was given a statutory basis under title IX of the 1973 amendments. When the program was included into this legislation, low income persons were to be the primary beneficiaries, but a precise definition of low income as a condition of eligibility was specifically excluded. Both the Senate and House reports stated the following:

> In designating 'low-income' persons as those primarily to be benefited under this program, the committee has avoided the designation of any precise income level as a condition of eligibility with a view toward retaining the flexibility in determining eligibility that has characterized the pilot projects [under Operation Mainstream]. It is not our intention that participation be denied an individual having an income that may be a few dollars in excess of some designated poverty index; at the same time, priority in funding should go to projects serving primarily low-income persons and priority in determining eligibility of individuals should go to those who have the greatest need for additional income. 6/

In further identifying participants, the 1973 legislation provided that participants have "poor employment prospects" and have or would have "difficulty in securing employment." In order to receive funds, projects were required to provide employment for eligible individuals "whose opportunities for other suitable public or private paid employment are poor."

The law included a provision requiring the Secretary of Labor to assure that projects "will serve the needs of minority, Indian, and limited English-speaking eligible individuals in proportion to their numbers in the State." (Section 902(b)(1)(L).)

6/ U.S. Congress. Senate. Committee on Labor and Public Welfare. Older Americans Comprehensive Services Amendments of 1973. Report to Accompany S. 50. Senate Report No. 93-19. 93d Cong., 1st Sess. Washington, U.S. Govt. Print. Off., 1973. p. 21; and

U.S. Congress. House. Committee on Education and Labor. Comprehensive Older Americans Service Amendments of 1973. Report to Accompany H.R. 71. House Report No. 93-43. 93d Cong., 1st Sess. Washington, U.S. Govt. Print. Off., 1973. p. 28. The language of these reports is virtually identical.

1975 Amendments (P.L. 94-135)

Indian Tribal Organizations

These amendments added a new provision under title III authorizing a special funding arrangement for Indian tribal organizations aimed at improving services to older Indians. The provision allowed the Commisioner on Aging to directly fund Indian tribal organizations if a determination was made that older Indians in a State were not receiving benefits under title III equivalent to benefits provided other older persons in the State, or if the Commissioner determined that members of the tribe would be better served by the direct funding arrangement. The Commissioner was authorized to use a portion of funds allotted to the State under title III for this purpose. (Section 303(b)(3).)

Model Projects--Priority for Specified Groups

Another title III provision modified the authorization for model demonstrations by adding a provision requiring the Commissioner to give special consideration to projects for certain groups. The amendment required the Commissioner to consider the special needs of, and improve the delivery of services to "older people who are not receiving adequate services under other provisions of this Act, with emphasis on the needs of low income, minority, Indian, and limited English-speaking individuals, and the rural elderly . . . ." The Senate report which discussed this amendment stated that although the program is not limited to low income and minority older persons, and is not to be considered a poverty program, certain members of such groups may exhibit needs which are not being met by existing agencies. The language is as follows:

> . . . Title III does not limit the provision of services to low income or minority individuals, nor does the Committee intend to convert Title III into a strict poverty program. However there are instances in which the needs of low-income, minority, Indian or limited English-speaking groups of older persons are so great, and the ability of existing agencies to serve them so limited, that model projects funds can be useful in helping to fill these gaps. The Commissioner on Aging has employed model project funds in this fashion in the past, and the Committee wishes to express its concurrence in this judgment and encourage the use of such funds for this purpose in the future. [7]

1978 Amendments (P.L. 95-478)

The 1978 amendments contained a number of amendments regarding persons to be served under the Act.

Preference to Older Persons with Greatest Economic or Social Needs

Two amendments added at this time explicitly directed States and area agencies to target services on specific categories of older persons. Specifically, each designated State agency and each area plan were required to provide assurances that "preferences will be given to providing services to older individuals with the greatest economic or social needs . . . ." (Section 305(a)(2)(E) and 306 (a)(5).) These provisions also required that States and area plans to include proposed methods to carry out these preferences. However, neither the the law nor relevant committee reports defined these terms.

The prohibition on the imposition of means testing under the program included in previous legislative intent was reemphasized. The conference report on the 1978 amendments stated that the insertion of the requirement that preference in providing services under the program be given to older persons with the greatest economic or social needs was:

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[7] U.S. Congress. Senate. Committee on Labor and Public Welfare. Older Americans Amendments of 1975. Senate Report No. 94-255, 94th Cong., 1st Sess. Washington, U.S. Govt. Print. Off., 1975. p. 23.

> . . . not to be interpreted as a step toward requiring a means test under the Act. There are many elderly who have great social need for the programs under the Act and who are not economically deprived. The Act has traditionally been open to all other individuals in need of social and nutritional services, and remains so under these amendments. 8/

AoA regulations implementing the 1978 legislation, published in final form in 1980, deleted prior reference to low income and minority older persons and substituted appropriate references to those with the "greatest economic or social needs." "Greatest economic need" is defined as "need resulting from an income at or below the Bureau of Census poverty threshold. "Greatest social need" is defined as that "caused by non-economic factors which include physical and mental disabilities, language barriers, cultural or social isolation including that caused by racial or ethnic status (for example, Black, Hispanic, American Indian, and Asian American) which restrict an individual's ability to perform normal daily tasks or which threaten his or her capacity to live independently." (Section 1321.3.) References to greatest economic or social need are included in regulations relating to State plan content (Section 1321.25), service delivery responsibilities (Section 1321.45), composition of the State and area agency advisory councils (Section 1321.47 and 132.97), intrastate funding formula (Section 1341.49), designation of planning and service areas (Section 1321.53), content of the area plan (Section 1321.77), area agency planning and management responsibilities (Section 1321.93), designation of

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8/ U.S. Congress. Conference Committees, 1978. Comprehensive Older Americans Act Amendments of 1978. Conference Report to Accompany H.R. 12255. House Report No. 95-1618, 95th Cong., 2d Sess. Washington, U.S. Govt. Print. Off., 1978. p. 68; 69.

community focal points for service delivery (Section 1321.95), and service provider requirements (Section 1321.109). (45 CFR, part 1321, March 31, 1980.)

Continuum of Care for the Vulnerable Elderly

The 1978 amendments added to the purpose of title III direction that agencies implementing the program provide a "continuum of care for the vulnerable elderly." The goal of assisting those older persons capable of self care, added in the 1973 amendments, was retained.

Services to the Rural Elderly

Another group given special attention by two 1978 amendments was the rural elderly. A new State plan provision required each State agency to spend an increased amount of funding on persons residing in rural areas. Specifically, the amendment directed each State to spend in the future an additional 5 percent above the amount expended for services to this group in 1978. (Section 307(a)(3)(B).) The law allowed the Commissioner to waive this requirement if the State could demonstrate that the needs of the rural elderly were being met, or if the number of rural older persons was insufficient to comply with the expenditure requirement. Another provision required area plans to give special emphasis on outreach services to the rural elderly. (Section 306(a)(5)(B).)

In addition to these requirements under title III, a new amendment was added to the Commissioner's discretionary authority to conduct demonstration programs. 9/ In the conduct of demonstration programs, the Commissioner was

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9/ With the 1978 amendments an expanded title IV incorporated discretionary authority for model projects on aging previously included under Section 308 of title III.

required to give special consideration to projects designed to meet the special needs of older persons in rural areas. (Section 421(b)(7).)

Direct Funding of Indian Tribal Organizations

The 1978 amendments added a separate new title VI authorizing the Commissioner to directly fund Indian tribal organizations representing at least 75 older Indians. This title was created partly in recognition that the 1975 provision authorizing direct funding of tribal organizations by the Commissioner on Aging had never been implemented. In developing this program as a separate title under the Act, Congress was responding to a concern that older Indians were not being adequately served under the existing service structure.

Training Programs to Meet the Needs of Minority Elderly

Title IV of the Act was amended to add authority for the Commissioner to support programs assessing future personnel needs in the field of aging "with special emphasis on the needs of elderly minority group individuals and the need for the training of minority individuals to meet such needs . . . ." (Section 404(a)(6).)

Federal Council Study on Elderly in Greatest Need

The 1978 amendments required the Federal Council on Aging, authorized under title II of the Act, to conduct an analysis of methods to identify the elderly population in greatest need of programs under the Act and to perform an analysis of the numbers and incidence of low income and minority participants in the program. (Section 205(g).)

Reference to Minority Distribution in 1978 Senate Proposal

The following is included to indicate that discussion of minority group geographic distribution took place during the 1978 reauthorization process.

Explicit references to minority older persons were made in the Senate version of the 1978 amendments. The Senate bill, S. 2850, as considered, contained language to require that the number and distribution of minority elderly be taken into consideration when designating planning and service areas, devising a formula for distributing funds, and determining the need for services under the area plan. However, the Senate's proposed language with respect to minority distribution was dropped after conference with the House. 10/ The

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10/ Specifically, S. 2850 would have required in Section 305(a)(1) that the State agency:

> (E) divide the State into distinct areas in accordance with guidelines issued by the Commissioner, after considering the geographical distribution of individuals aged 60 and older in the State, the incidence of the need for social services, nutrition services, and multipurpose senior centers, the distribution of older individuals--
> (i) who have low incomes, and
> (ii) who are members of minority groups [emphasis added] residing in such areas . . . .

Section 305(a)(2) would have required that the State agency:

> (C) develop a formula, in accordance with guidelines issued by the Commissioner for the distribution within the State of funds received under this title, taking into account, to the maximum extent feasible, the best available statistics on the geographical distribution of individuals aged sixty and older in the State, the incidence of such low-income individuals, and the number of such individuals who are members of minority groups [emphasis added], and publish such formula for review and comment . . . .

Section 306(a)(1) would have required that each area plan:

> (1) provide through a comprehensive and coordinated system, for social services, nutrition services, and where appropriate, for the establishment, maintenance, or construction of multipurpose senior centers, within the planning and service area covered by the plan, including determining the extent of need for social services, nutrition services, and multipurpose senior centers in such area (taking into consideration, among other things, the number of older individuals with low incomes, and minority older individuals [emphasis added] residing in such areas . . . .

amendments as enacted retained the prior law requirements which provided that the distribution of low income older persons be taken into account when dividing the State into planning and service areas and in determining the need for services under the area plan. While a new provision required States to develop a formula for distribution of funds, only the distribution of persons 60 years or older was to be taken into account in developing the formula.

In the discussion of its proposed amendment in S. 2850 requiring the State agency to develop a formula for intrastate distribution of funds taking into account minority distribution, the Senate Committee on Labor and Human Resources stated:

> . . . Title III of the Act has never been a poverty program in the sense that its benefits were provided solely to poor persons or that a means test was employed. There is clearly a psychological barrier for older persons in participating in programs that are stigmatized as poverty programs or which embody a means test. Even those in the greatest need will very often avoid such programs out of a reluctance to be considered a charity case. Hence, a major reason for the success of the title III program has been its avoidance of a poverty label.
>
> Nonetheless, there is no question that, on the whole, older persons with low incomes or who are members of minority groups, have a more difficult time than those with greater means and those who are not isolated because of ethnic origins and race.
>
> The 1975 amendments to the act required the States to take into account the particular needs of low-income persons in developing and implementing the State plan. The committee also deems it appropriate to require the States to take into account the needs of the elderly who are members of minority groups.
>
> However, the committee wishes to reiterate its clear intent that there is no authority under this title to establish a means test. 11/

11/ U.S. Congress. Senate. Committee on Labor and Human Resources. Older Americans Act of 1978. Senate Report No. 95-855, 95th Cong., 2d Sess. Washington, U.S. Govt. Print. Off., 1978. p. 8

1981 Amendments (P.L. 97-115)

Outreach and Counseling to Limited English-Speaking Elderly

The 1981 amendments recognized the special service needs of limited English-speaking older persons. Those amendments included a new State plan requirement providing that if a substantial number of older individuals residing in any planning and service area is of limited English-speaking ability, the designated area agency for that area is required to provide outreach and counseling services in the language spoken by these older persons. (Section 307(a)(17).) In its report, the Senate Committee on Labor and Human Resources stated:

> It is the belief of the Committee that many elderly persons have been deprived of assistance, such as housing, nutrition, legal and other social services, because they do not receive information in their native language. It is the desire of the Committtee to assist these individuals in obtaining the services to which they are entitled. 12/

12/ U.S. Congress. Senate. Committee on Labor and Human Resources. Older Americans Act Amendments of 1981. Senate Report No. 97-159, 97th Cong., 1st Sess. Washington, U.S. Govt. Print. Off., 1981. p. 10.

TESTIMONY

submitted to the

SENATE SUBCOMMITTEE ON AGING

on

"TARGETING SCARCE RESOURCES UNDER THE OLDER AMERICANS ACT"

November 15, 1983

Gregory L. Anliker

Chairman, Iowa Association of Area Agencies on Aging

Executive Director, Iowa Lakes Area Agency on Aging

2 Grand Avenue
Spencer, IA 51301

Senator Grassley and Members of the Senate Subcommittee on Aging:

Thank you for the invitation and opportunity to submit written testimony on the topic of "targeting" resources from the Older Americans Act. I am pleased to submit this testimony as Chairman of the Iowa Association of Area Agencies on Aging and as the Executive Director of Iowa Lakes Area Agency on Aging.

As proposals and rumors of targeting Older Americans Act Funds to only the financially needy filter down to the local areas and communities in Iowa, concerns by senior citizens and workers in the Aging Network grow. The Older Americans Act has been built on the idea of local involvement and decision making by area elderly to meet the needs of the elderly. Local flexibility has not only been a landmark of the Older Americans Act, but one of the major reasons for its many successes. Successes include substantial private contributions from elderly participants nationwide. In Iowa, over 20% of the funding comes from the elderly themselves. In the nine counties of Northwest Iowa that Iowa Lakes Area Agency on Aging serves, over 30% of our funding comes from non-tax sources, the majority of which are from the elderly who are benefiting from the programs.

There are several important issues intertwined in the above facts. It has taken several years to build the ideas of pride, responsibility and ownership of the OAA programs into the hearts of the elderly. They are proud to support "their" services with their personal funds. I believe this is true at least in part, because they do feel that "they" are building these programs for themselves. It is not at all uncommon to hear an elderly person say, "I don't need this program. I support it because I want to help keep it going for all of the elderly that really can't afford it. Without help from people like me, it might not be available for them".

The contributions from many participants go far beyond their cash contributions for transportation, meals, and other services. Some are beginning to make substantial contributions in the form of bequests and special gifts to senior centers and aging programs. Thousands are volunteering their time and expertise in addition to their dollars.

In April, 1982, a statewide survey was taken by the thirteen Area Agencies on Aging in Iowa in cooperation with a request from former Governor Robert D. Ray. The survey was an effort to document the number of volunteers and volunteer hours generated in the aging programs and services sponsored by our Agencies. The results were as follows:

1) 11,342 volunteers contributed 83,428 hours of service;
2) 81% of the volunteers were over 60 years of age;
3) $279,483 is the value of service for one month using minimum wage ($3.35/hour X 83,428 hours);
4) 872 volunteers per agency was the average.
   575 volunteers per agency was the median.
5) $3,353,806 of volunteer hours were contributed to area agency funded programs in 1982 using the figures of April ($279,483 X 12 months).

The $3,353,806 of volunteer hours plus the
$3,765,238 cash contributions donated by Iowa's Senior Citizens program recipients reveals that the elderly people of Iowa are themselves contributing
$7,119,044 toward the support of Older Americans Act programs.

While the lower income elderly participants' share in both cash contributions and volunteerism, we are convinced that substantial assistance is provided by elderly that want and need social involvement, though they may not be in financial need. It is the feeling of the Iowa Association of Area Agencies on Aging that if OAA funded programs are limited to low income elderly, the Federal share of the program will increase considerably since a large share of the program is currently being paid by the elderly who may not be in financial need. We believe it is obvious that another Federal entitlement program would not address the problems of the elderly to the degree that current system does.

If "means testing" is adopted, the idea of dignity that the Older Americans Act is based on would be badly bruised, if not destroyed. Many elderly, including the low income, would be reluctant to participate in OAA programs if they become associated with welfare. This "stigma" is already a problem in getting many needy people to participate under the current law and regulations. This is true simply because Federally funded programs are viewed by many as "welfare". The fact that OAA programs are not currently means tested is a major "selling point" in convincing many needy people that they should try the programs and contribute if they are able. Costly administrative procedures to document that only needy elderly receive services would further deplete limited resources and serve as a major barrier in the provision of services with dignity.

Emphasis on increasing the participation of more low income elderly is a reasonable and a worthy goal, if it does not destroy local flexibility to meet local needs, burden the network with bureaucratic paper reports or destroy the dignity of elderly participants.Perhaps a nonbureaucratic process could be utilized to indicate the degree of participation by low income elderly participants rather than going to an individual client record and assessment for all services. This could be done on an annual basis similar to the survey on volunteerism done in Iowa in April of 1982 or a system similar to the survey that we have used in our area. I have attached a copy for your review.

In conclusion, we feel that Older Americans Act programs should continue as non-means tested programs for the elderly. Local service providers should continue to make programs accessible to those with the greatest economic and social need. This should, in no way, be construed to exclude elderly who are not financially needy.

Thank you for your consideration of these concerns.

Respectfully Submitted,

Gregory L. Anliker, Chairman
Iowa Association of Area Agencies
on Aging

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IOWA ASSOCIATION OF AREA AGENCIES ON AGING

RECEIVED SEP 19 1983

September 13, 1983

Mr. Pete Conroy
Staff Director
Subcommittee on Aging
Senate Committee on Labor and Human Resources
SD428
Washington, D.C. 20510

Dear Pete:

I am writing in response to the letter I received from Senator Grassley concerning hearings that may be conducted by the Subcommittee on Aging, the Senate Committee on Labor and Human Resources on the reauthorization of the Older American's Act.

As you know, the Iowa Association of Area Agencies on Aging met in conjunction with a training conference at Lake Okoboji and we spent considerable time in discussing several of the possible Older American's Act reauthorization hearing topics which were suggested in your letter.

Following is a summary of our concerns and ideas:

Topic one - Targeting of economically and socially needy in the Older American's Act.

- a. What would be the benefit of limiting services to the poor and socially needy?
- b. Many problems of the elderly are not tied directly to income but rather relate to the unavailability of services.
- c. Many elderly, including the low income, will be reluctant to participate in AoA programs if they become a "means tested program" associated with welfare. This "stigma" is a problem that we in the field face every day even with the current law and regulations.
- d. If AoA funded programs are limited to low income elderly the federal cost of the program would increase considerably since a large share of the program is currently being paid for by the elderly themselves who can afford to pay. It should be obvious that another federal entitlement program would greatly add to the cost of the program.
- e. Although it has taken several years to achieve, we are beginning to see positive contributions of the involvement of the mainstream of elderly people in the form of bequests and special gifts to Senior Centers and aging programs.

Conclusion: AoA programs should continue as non-means tested elderly programs. Local service providers should continue to make programs accessible to those with the greatest economic and social need. But this in no way should be construed to exclude those elderly who are not financially low income.

Topic two - Long Term Care in the Older American's Act.

a. The reauthorization of the Older American's Act should contain language which enables and authorizes area agencies on aging to have authority to develop community based long term care systems at the State and local level. This language should allow us to coordinate and advocate the development of assessment and case management systems for the frail and vulnerable elderly regardless of income.
b. AoA funded clients receiving long term care continuum of services should be assessed and/or case managed by area agencies on aging or by their subcontractors.
c. In most rural counties, a long term care community based system does not exist. Area agencies on aging need the support of the Older American's Act to help them provide a leadership role in developing the needed system of community based long term care.

Conclusion: Include enabling legislation in the Older American's Act to give responsibility and authority for the development of assessment in case management systems through the area agency on aging network.

Topic three - Federal, State, and Local Relationships in the Older American's Act.

a. We support the current balance between the federal, state, and local relationships. The "local" decision-making involving the elderly themselves through advisory councils and boards must be retained and strengthened.
b. It is of the utmost importance to retain at the state and area level a single organizational unit for aging programs. Although progress has been made since the inception of the Older American's Act, the increase in the size of our aging population warrants at the state and area level a single organizational unit that is concerning itself with the needs of the elderly.
c. The position of Commissioner of the Administration on Aging should be elevated to one of the Assistant Secretary and should be given more authority to coordinate and advocate with other federal agencies at the federal level.

Conclusion: Elevate the position of Commissioner to Assistant Secretary. Retain the mandate for single organizational units at the State and area level and retain the current balance between the federal, state and local relationships. Strengthen the role of the elderly themselves through their involvement on councils and boards.

Topic four - Employment.

a. Combine Title V of the Older American's Act and add it to the 3% set aside for older workers in the Job Training Partnership Act. These funds should be channeled through the Administration on Aging, not the Department of Labor, through the state and area agency network.
b. Complete the consolidation of the elderly programs which was begun several years ago by transferring all Action Programs involving elderly volunteers through the Older American's Act to the Administration on Aging and the aging network.

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September 13, 1983
Mr. Pete Conroy

Conclusion: Continue the consolidating of titles and programs through the Older American's Act and the aging network which it established.

I am writing you this response on behalf of the Iowa Association of Area Agencies on Aging. At our recent Iowa Association of Area Agencies on Aging meeting, Mr. Greg Anliker was elected Chairperson of our Association. I can assure you that Greg, or I, or any of the Area Agency on Aging Directors in the State of Iowa, will do what we can to respond to any further requests on this matter of reauthorization of the Older American's Act.

Cordially,

Russ

Russell D. Proffitt
Chairperson, I4A

cc: Iowa Area Agency on Aging Directors

RDP/vab

9-26-83

ILAAA POSITION STATEMENT
FOR
REAUTHORIZATION OF THE OLDER AMERICANS ACT

It is the position of the Iowa Lakes Area Agency on Aging, Inc., that the Older Americans Act is not in need of major revision as it currently exists.

I. We feel the Act should continue to encourage and, in fact, mandate responsiveness to the wishes of the elderly citizens and priority needs established at the Area Agency on Aging level. This can and should be attained by mandating a single organizational unit at the Federal, State, and local units as well as mandating Older Citizens State and Area Advisory Councils. In addition, we feel the Commissioner on Aging should be elevated to an Under-Secretary status.

II. Language should be included to encourage the targeting of programs, services, and resources at the socially and economically needy without specific income eligibility. The strength of the programs has been the diversity of income levels of participants in services and the general lack of the "welfare stigma" associated with entitlement programs. As an example, if income guidelines were attached to the congregate meals program, it is our feeling that not only would people of higher income levels who need and benefit from the nutritional and social aspects of the program lose an important program but the economically needy who currently utilize the program could drastically be reduced. We believe this is true because of a common, if not prevalent, pride factor of older citizens. Most do not want a handout; they do not want to be viewed as a "welfare" recipient. Targeted groups should include persons in long term care institutions who are able to return to an independent setting, homebound older persons, persons with limited mobility, those having economic disadvantages, and social minorities.

III. One major change we feel is important is an increased emphasis of integrating existing and newly created services, both under OAA and other programs, into a continuum of care or long term care system. Many services for older citizens exist without adequate coordination. While good progress has been made in many areas of the country, we believe that specific language needs to be included in the Act, not only to encourage State and Area Agencies on Aging to coordinate and integrate, but to give them the enabling authority to accomplish these efforts. This could be accomplished by requiring review and comment of all services and programs serving the elderly under any and all tax supported efforts directed at Older Americans. In addition, coordinated case management should be a long range goal.

IV. Another change that we believe should be considered is the integration (at the Federal level) of the Senior Community Service Employment Program (Title V) and the ACTION - Older Americans Volunteer Programs should be under the Administration on Aging. We feel there is a major inconsistency at the Federal level when Congress and the Administration constantly talk about and mandate coordination and integration at the State and area levels, but do not themselves practice this concept. We agree coordination and integration are necessary and further that it is necessary from the top down or more realistically from the bottom up.

V. The Act should mandate a bottom-up approach to planning, administration, and service delivery. We believe that the closer to the problems, the more likely you are to understand and adequately address them within financial limitations. We believe that Area Agencies on Aging should be required to be responsive to service providers and in particular, to the elderly in the area. We further believe that the State Unit on Aging must be responsive to the Area Agencies on Aging and their elderly representatives and that the Administration on Aging should be responsive to the State Units on Aging that have built their network and plans based on the local needs.

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page 2

(CONT.)

V. As indicated in Section I, this could be accomplished to a large degree by stressing the importance of Area and State Advisory Councils and that State and Area units are responsive to this advice and the needs of the local areas.

VI. Age eligibility for Older Americans Act programs has been the topic of discussion since before 1980 and was addressed very adequately in a report by the Subcommittee on Human Services of the Select Committee on Aging of the House. While it is true that the number of "old-old" (those 75 years of age or older) continues to climb rapidly and that resources to pay for services will continue to remain tight, it is also true that the vast majority of individuals utilizing the services are the older elderly. We, therefore, feel that increasing the eligibility age, for example, from 60 to 65 would not be productive as far as improving efficiency or targeting of programs.

However, if the age is changed, it is essential that it not be used as justification to reduce OAA funding. According to a recent national study, the average age of congregate meal participants was 73 years. The average age of home delivered meals participants was 78 years. Locally, our Fiscal Year 1981 survey indicated that 9% of participants were 50-64; 17% were 65-69; and the remainder or 74% were over age 70. The above statistics demonstrate that OAA funds are already being stretched by the aging network. Clearly, as the elderly population reaches the "old-old" category requirements for service increases and so does the need for additional OAA funding.

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FEDERAL COUNCIL ON THE AGING
WASHINGTON D.C. 20201

November 23, 1983

The Honorable Charles E. Grassley
United States Senate
Washington, DC 20510

Dear Senator Grassley:

Thank you very much for providing the Federal Council on the Aging the opportunity to appear before the Subcommittee on Aging on the issue of targeting services to the elderly. I found the hearing on November 15 stimulating and informative as well as extremely useful in determining how other organizations are responding to some of the Council's draft recommendations on reauthorization of the Older Americans Act.

I would like to submit several comments for the record of the hearing in order to clarify some of the statements made in our discussion and in the written testimony.

The first paragraph on page nine of our testimony recommends the addition of a disclosure component to the Intrastate Funding Formula requirement in the Act. It is our intention that this disclosure component of the IFF not be a state plan requirement, and therefore not require approval of the U.S. Commissioner on Aging.

The first bullet on page 10 refers to the phrase "greatest economic or social need." It is the Council's recommendation that the responsibility for assuring that preference is given to those with greatest economic or social need remain at the area agency level and is articulated through the area plans. Therefore, we do not suggest any statutory change, but do recommend that in the consideration of those in "greatest economic or social need," emphasis be placed on services to low income, minority, female, rural, living alone and disabled older persons.

Our concern here is that any of the six factors mentioned above have consistently been shown to be associated with vulnerability and as such, should be given special attention by state and local officials in determining greatest economic or social need.

I hope that these statements will lead to a better understanding of the Council's draft recommendations. Again, we appreciated the opportunity to participate in the hearing.

Sincerely,

Adelaide Attard
Chairperson

RECOMMENDATIONS FOR 1984 AMENDMENTS TO OLDER AMERICANS ACT RELATING TO SERVICES AND OPPORTUNITIES FOR MINORITIES

1. State Agencies on Aging - "Greatest Economic or Social Needs":

The language in Section 305 (a) (2) (E)--relating to "greatest economic or social needs"--Should be replaced by the following:

> " (E) provide assurances that minority, Indian, and limited English-speaking individuals will be priority groups for receiving Title III services. Minority, Indian, and limited English-speaking individuals shall receive services on the basis of their need for services, after a comprehensive needs assessment is undertaken. A comprehensive needs assessement shall be undertaken expeditiously to assure the prompt implementation of this provision."

Brackground: Aged minorities received about 18% of the services provided under Title III in FY 1982:

Services	Minority Aged Participation
Supportive Services	17.5%
Congregate meals	18.0%
Home-delivered meals	20.2%

The breakdown by race and nationality for minority participation in Title III services in FY 1982 is as follows:

Figures in Thousands

	Supportive Services and Centers	Congregate Meals	Home-Delivered Meals
American Indian & Alaskan Native	46 0.5%	35 1.3%	8 1.5%
Asian and Pacific Islander	178 2.0%	55 2.0%	5 1.0%
Black, Not Hispanic	1,000 11.1%	282 10.1%	64 12.3%
Hispanic	363 4.0%	125 4.5%	25 4.8%
Other	17 1.9%	7 0.3%	3 0.6%
White, Not Hispanic	7,500 82.5%	2,300 82.0%	414 79.8%

Minority participation in the Title V Senior Community Service Employment Program is nearly twice as great as under Title III of the Older Americans Act: 32.8% under Title V compared to 17.8% under Title III.

SCSEP Enrollment by Race, June 30, 1982

	Number	Percent
Pacific/Asians	1,505	2.6
Indian and Alaskan Natives	1,097	1.9
Hispanic	3,636	6.4
Black	12,507	21.9
White	38,429	67.2
Total	57,174	100.0

Report Language The Administration on Aging, state agencies on aging, and area agencies on aging should take appropriate steps to promote increased participation by aged minorities in Title III services. Accurate and current information should be maintained on the percentage of minorities receiving services. An immediate goal should be 25% participation by minorities with an ultimate goal of 33-38% participation as a minimum target.

This ultimate goal (By FY 1987) is computed as follows:

Aged minorities constitute about 13.3% of the total elderly (60 years or older) population (1980 census). Blacks and Hispanics (data are not available for other minority aged) were about 2.8 times as likely to be poor in 1982 as elderly Whites. About 11.5% of Whites 60 years or older were poor in 1982, compared to 32.3% among elderly Blacks and Hispanics.

Participation Goal = Minority Aged proportion of Total 60-Plus Population x Relative Poverty Level for Aged Minorities Compared to Older Whites

$$X = 13.3\% \times 2.8$$
$$X = 37.2\%$$

2. Area Agencies on Aging - "Greatest Economic or Social Needs":

Conforming language should replace the current Section 306(a) (5) (A).

"(A) provide assurances that the minority elderly, Indian, and limited English-speaking individuals will be priority groups for receiving Title III services and include proposed methods of carrying out the preference in the area plan. Minority, Indian, and limited English-speaking individuals shall receive services on the basis of their need for services, after a comprehensive needs assessment is undertaken. A comprehensive needs assessment shall be undertaken expeditiously to assure the prompt implementation of this provision."

Report Language: The report should emphasize that several simple administrative actions can be undertaken to assure greater minority participation (ultimate goal of 33-38% participation as a minimum target by FY 1987) in services programs, including:

-- Area agencies on aging should attempt to place more services and benefit programs in neighborhoods with high concentrations of low-income minority older persons.

-- More bilingual staff should be employed by area agencies on aging and services providers.

-- More aggressive outreach activities should be undertaken to locate older minorities.

-- Nutrition providers should be encouraged to provide more culturally appropriate meals.

-- Publications about Older Americans Act and other programs should be in languages other than English when a significant number (at least 10% of the total aged population) of limited English-speaking older persons live in a service area.

-- Minorities should be more equitably represented in the planning process (e.g., advisory councils) for the delivery of services.

-- Transportation should be made readily available to enable those who are not within proximity of the service to participate.

3. Affirmative Action for Minority Training, Employment and Contracts

A new provision should be incorporated in the Older Americans Act to direct AoA, state offices on aging and AAAs to take affirmative action to promote expanded opportunities for training, employment and contracts for aged minorities and minority service providers. This should be accomplished in consultation with national minority aging organizations, local minority aging organizations, and leaders in ten minority communities.

Possible Statutory Language: A new Subsection 202 (d) is inserted in the Older Americans Act.

> "(d) The Commissioner shall consult with and work with state offices on aging, area agencies on aging, national minority aging organizations, and others with specialized expertise to promote affirmatively additional employment and training opportunities in the field of aging for minority group individuals and additional opportunities for service contracts under this Act for minority-sponsored enterprises. The Commissioner shall establish appropriate target goals with appropriate time tables to promote additional employment and training opportunities in the field of aging for minority group individuals, additional opportunities for service contracts for minority-sponsored enterprises under this Act, and increased service participation levels for older minority group individuals under this Act. The commissioner

shall develop and publish appropriate regulations, guidelines and program instructions to implement this subsection and Sections 305(a) (2) (E) and 306(a) (5) (A) (relating to increased service participation levels of older minority group individuals under this Act). The Commissioner shall collect comprehensive current data to determine the number and percentage of (1) employment and training positions for minority group individuals at state and local offices on aging and the Administration on Aging, (2) service contracts for minority-sponsored enterprises under this Act, and (3) service participation levels for older minority group individuals under this Act.

Report Language: Report language should spell out the components of an effective affirmative action program. Accurate and current data should be collected on the following:

-- The percent and numbers of minority professional and support staff at AoA, state offices on aging, and AAAs.

-- The percent and numbers of minority professional and support staff participating in training programs at AoA, state offices on aging, and AAAs.

-- The amount of dollars, percent of dollars, and percent of grants received by minority contractors from Title III-B supportive services, Title III-C congregate and home-delivered meals.

Staff sensitivity skills should be developed concerning the unique problems, values and traditions of the minority aged (e.g., produce guidelines and references in training staff and performance standards in evaluating staff who work with minorities).

Mechanisms should be established for setting, implementing and evaluating affirmative action goals and procedures for resolving complaints and problems (e.g., develop guidelines for designing, monitoring and evaluating effective affirmative action plans for recruiting, hiring, training and promoting minorities within the aging network and for awarding contracts to minority enterprises).

4. Monitoring.

An Office of Civil Rights or other appropriate designated unit should be established within AoA to monitor the affirmative action goals and other provisions spelled out in this document. This could be provided by statute or in report language accompanying the 1984 reauthorization legislation.

5. Reinstatement of Cranston Amendment:

The Cranston Amendment should be reinstated to promote the training under Title IV of minority personnel for aging programs. This measure was deleted during the 1981 Older Americans Act Amendments when Title IV was consolidated. The Cranston Amendment (formerly Section 404(a) (6) of the Older Americans Act) authorized AoA to fund projects "to assess future national personnel needs, including the need for training of advocates, with respect to the elderly with special emphasis on the needs of elderly minority group individuals and the need for the training of minority groups individuals to meet such needs."

Prepared by
ASOCIACION NACIONAL PRO PERSONAS MAYORES
October 1983

CIVIL RIGHTS COMMISSION STUDY

The recently issued Civil Rights Commission report provides further evidence that older minorities . are underserved under the Older Americans Act. Six cities (Cleveland, OH; Bridgeport, CT; Tucson, AZ; Tulsa, OK; San Francisco, CA: and Honolulu, HI) were examined by the Civil Rights Commission staff to determine the extent to which racial and ethnic discrimination existed in federally-assisted programs and activities affecting the elderly. The study concluded:

> "In almost every city minority older persons were being underserved.... The only cities with substantial numbers of older Asian American participants were Honolulu and San Francisco. While older minorities participated to some extent in all Title III programs, there were some services (e.g., in-home services and legal services) in which they were consistently absent across all six cities."

Minority aged persons oftentimes felt that Older Americans Act programs were not responsive to their needs and priorities. Nutrition programs typically did not provide culturally appropriate meals. Very few publications were available in lanaguages other than English. Publicity about Older Americans Act programs was very limited and virtually nonexistent in languages other than English. Information and referral services in the six cities ordinarily did not have any bilingual employees.

Moreover, area agencies on aging did not generally conduct aggressive outreach efforts to locate more minority aged persons. The Commission staff pointed out, "The existence of limited outreach programs, together with programs unresponsive to minority elderly needs, has resulted in low minority participation in almost all cities."

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Other factors also caused the minority elderly to be underserved in services programs:

-- Area agencies on aging were generally not diligent in monitoring services participation by the minority aged.

-- Minorities were underrepresented in the planning process for the delivery of services. In some of the six cities, certain minority groups were totally excluded from local advisory councils.

-- State offices on aging did not closely monitor local offices on aging regarding civil rights compliance.

Minorities were underrepresented in employment within the aging network, and oftentimes they were in lower-status and lower-paying jobs when employed. The one exception was Honolulu where Pacific/Asians accounted for more than half of the staff. Area agencies on aging did not ordinarily have a formal recruitment procedure to increase employment opportunities for minorities.

Minority firms were usually underserved in receiving Title III (supportive services/nutrition) awards. Yet, many minority firms were in a position to render unique services, and they had a positive track record to deliver quality services. The Commission report noted:

> "...In virtually all cases minority organizations were not receiving a fair share of the monies available. Nevertheless, there were few formal mechanisms in place to provide technical assistance to minority organizations that would help to increase their representation among Title III-funded organizations in the cities examined. In most cities visited, representatives of minority organizations stated that the failure to provide standardized technical assistance by the area agencies on aging was one reason for the lack of minority representation among Title III-funded organizations. They also voiced concern that the lack of technical assistance actually was a reflection of the area agencies on aging's unwillingness to serve minorities or increase participation in service programs. Additionally, where awards were made, Title III-funded organizations were not specifically encouraged by the area agencies on aging to make such awards to minority firms."

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HIGHLIGHTS OF CIVIL RIGHTS COMMISSION REPORT (PART II)

MINORITY EMPLOYMENT IN OLDER AMERICANS ACT PROGRAMS

Minorities are not fully utilized in decision making jobs, which are reserved almost entirely for whites. Minorities were disproportionately represented in lower salaried jobs at AoA, its regional offices, and area agencies on aging (AAA).

AoA gives affirmative action a low priority. AoA has no Office of Minority Affairs, and only one staff person is responsible part-time for carrying out civil rights responsibilities. AoA does not provide specific guidance for its regional offices and state offices on aging for accomplishing affirmative action objectives.

AAA were less likely than state offices on aging to require goals and timetables for hiring, promoting or training minorities.

AoA provides no specific guidance for offices on aging concerning complaints alleging employment discrimination. AoA officials report that almost no employment discrimination complaints have been alleged at the federal, regional, state or local levels. There has never been a finding of employment discrimination at any level of AoA.

Awarding of Grants and Contracts to Minority Organizations

Minority organizations receive only a small percentage of available funds under Titles III and IV of the Older Americans Act. Minority organizations received only 8.1% of

Title IV funds in 1980 and 9.3% of the awards under Title III supportive services and nutrition.

A survey of state offices on aging reveals that less than one-half of the state units require AAA to submit information on the number of awards made to minority groups. Only five state offices require local offices or aging to give reasons for the rejection of minority applications for Title III awards.

Agencies funded under the Older Americans Act are not in a position to determine how TitlesIII and IV impact on minorities because no formal monitoring mechanisms are in place to evaluate contractors' and grantees' performance in complying with Title VI of the 1964 Civil Rights Act.

Minority Participation in Older Americans Act Service Programs

AoA does not conduct any indepth monitoring to determine whether minorities are provided services or whether minorities are aware of these programs. Monitoring and evaluation at the state level consist of completing checklists, reviewing program performance reports, holding public hearings, and contacting national minority organizations for the aged.

AoA is supposed to provide state offices on aging with technical assistance to increase minority participation in federal programs, but AoA's efforts have been minimal. Only a few states received any technical assistance. Only two state offices received TA in training staff on techniques to help minimize cultural and ethnic barriers to participation.

Most state agencies claimed that they provided TA to AAA. However, the majority of AAA said that they received little technical assistance from state offices on aging. More than three-fourths (75.7%) of AAA did not receive TA from state units concerning interpersonal skill building training and interview techniques to minimize cultural and ethnic barriers to participation.

Four barriers were cited by state offices and AAA in limiting full participation by minorities in federal programs:

1. Transportation was inadequate to services locations;
2. Minorities oftentimes had a general feeling of not being welcome in some programs,
3. Programs were frequently located outside of minority communities, and
4. Staff typically had an inadequate knowledge of minority language/cultural differences.

Most program administrators in areas with sizeable limited English-speaking elderly used English only in their publications. No state or AAA had a policy requiring bilingual interpreters at their public policy hearings. State or area plans were not translated or published in languages other than English.

Summary - "Perspective on Equitable Share in Public Benefits by Minority Elderly" by David Guttmann*

Major Findings

Minority group membership is a significant factor in under- and non-utilization of public benefits. Significantly fewer minority aged know about and use public benefits than do the non minority elderly.

Asians and Hispanics predominate among the minority aged who have no knowledge of a particular public benefit.

The non minority elderly in the Washington, D.C. area used significantly more public benefits than older Hispanics and Asians, but somewhat less than aged Blacks. The non minority elderly have greater knowledge of and information about public benefit programs than do the minority aged.

The minority elderly have a greater need for public benefits but logistical and psychological factors create barriers for them to utilize available benefits.

The users of public benefits exhibit greater life satisfaction and less social isolation than do non-users of public benefits among the minority elderly.

About 20% of the minority aged in the Washington, D.C. area had unmet needs but did not seek assistance through public benefits. The five most serious problems are: (a) income (26.1%), (b) health (19.3%), (c) transportation (15.5%), (d) housing (14.5%) and crime (11.4.%).

Approximately 10% have problems in receiving public benefits and 13% have difficulties in applying for public benefits.

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*This report is based on a study of nearly 700 older persons in the Washington, D.C. metropolitan area.

Title III regulations require that older minorities be served at least in proportion to their numbers in the planning and service area (PSA) served by the Area Agency on Aging (AAA).

Guttmann took into account several factors in measuring equity, including: (1) the needs of the elderly for public benefits, (2) the types of benefits received, (3) the quality of benefits received (e.g., satisfaction), and (4) barriers to receiving benefits.

"The study's major question: are the minority elderly receiving an equitable share in public benefits can be answered in the negative on the basis of expressed need in the local metropolitan area of Washington, D.C."

Older Blacks, Hispanics, and Asian-Americans have a greater need for and reliance on public benefits. However, their knowledge about and utilization of these benefits/programs are lower. Cultural attitudes toward the use of public benefits play a major role in not seeking asistance by the minority aged. The Asian elderly, according to Guttmann, have a greater reluctance to cope with "logistical difficulties" (e.g., lack of transportation, the understanding of procedures or a knowledge of English) to obtain benefits.

The Asian and Hispanic aged who use fewer public benefits/programs have significantly less social interaction than either the Black or the non minority elderly. They also have a less positive outlook on life.

Older Blacks in the Washington, D.C. metropolitan area know about public benefits at about 2½ times the level for the Asian elderly. The Hispanic aged have the greatest need for public benefits.

A 1973 report by the U.S. Commission on Civil Rights -- entitled "To Know or Not to Know" -- reveals that the scant racial and ethnic data collected by federal agencies are insufficient to determine whether federal benefits are reaching minority groups on an equitable basis. This deficiency has created a vacuum, making it impossible to determine whether a program benefit distribution is free from discrimination. A system of racial and ethnic data collection must be introduced to assess the adequacy of federal efforts in providing assistance to minorities by comparing the race and ethnic origin of federal program beneficiaries with those persons intended by laws to receive the benefits.

The need for public benefits is nearly 2 to almost 3½ times as great for the minority elderly than the non minority aged:

Need for Public Benefits - Analysis of Variance

Group	Count	Mean
Black	191	1.1204
Hispanic	62	2.4516
Asian	113	1.4159
Non minority	223	1.7130
Total	589	1.1630

About 20% of the respondents had a need for public benefits but did not seek assistance.

Having a Need for Public Assistance But Did Not Seek Aid	
Blacks	26%
Hispanics	33%
Asians	43%
Non minority	12%
Total	20%

Several key reasons were given, including: the procedures were too complicated (4.2%), transportation problems (3.7%), unfamiliar with programs (5.3%), language problems (5.6%).

4.

A significant difference exists between the non minority elderly in utilizing public benefits. The non minority aged use more public benefits than do elderly Hispanics and Asian-Americans, but less than older Blacks.

Utilization of Public Benefits

Group	Count	Mean
Black	191	6.6702
Hispanic	62	5.6774
Asian	113	2.8584
Non minority	223	6.0762
Total	589	5.6095

Only some of the major public benefit programs are known to the majority of the elderly in metropolitan Washington. Medicare, Medicaid, nutrition programs, and Social Security were known by more than 80%. Only a relatively small proportion of the aged know how to obtain public benefits, except for Social Security and Medicare.

The non minority aged have much greater knowledge and information about public benefits than the minority aged.

Knowledge of Public Benefits

Group	Count	Mean
Black	191	24.4869
Hispanic	62	13.3387
Asian	113	9.1858
Non minority	223	27.6099
Total	589	21.5603

The Hispanic and Asian elderly have the highest satisfaction with their benefits received, and older Blacks have the lowest satisfaction. The non minority aged are in between older Blacks and Hispanics in terms of satisfaction.

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Recommendations

Services providers should:

1. Plan services in neighborhoods with high concentrations of minorities and staff them with ethnic/minority personnel.

2. Deal with the reasons (cultural/psychological) that Asian and Hispanic older persons, in particular, are reticent to use public benefits.

3. Publicize the availability of benefits more vigorously to increase utilization.

4. Translate documents, forms and other publications into non-English languages.

5. Develop creative methods to inform and to teach minority older persons about public benefits and procedures to obtain them.

6. Pay serious attention to the cultural backgrounds and behaviors of prospective public benefit users.

7. Increase research on the minority and non minority aged to bring to the surface differential patterns in use of public benefits to help policymakers in evaluating the pros and cons of universal and specialized services for the minority elderly.

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800 Maryland Avenue, S.W., Suite 208, Washington, D.C. 20024

January, 1984

Dear Colleagues,

The National Association of Area Agencies on Aging and the National Association of State Units on Aging have been concerned about recent Title III nutrition program statistics indicating a decrease in the participation of minority older persons. We were also concerned about some of the findings in the recently published report of the U.S. Civil Rights Commission on minority participation in older Americans Act programs. Therefore, in July of 1983 we formed a joint task force on Minority Aging Services and Employment and invited the Asociascion Nacional Pro Personas Mayores; National Caucus and Center on the Black Aged; National Indian Council on Aging; and National Pacific/Asian Resource Center on Aging to work with us.

Enclosed is a policy statement on Minority Aging Services and Employment in the Aging Network recently adopted by the Boards of the NASUA and N4A. The Statement is the result of the work of the NASUA/N4A Task Force.

The policy statement outlines a set of goals for our memberships in the areas of affirmative action, minority contracting, program accessibility and service targeting. In addition, the statement outlines a number of action steps to be undertaken by the Associations to assist our memberships in achieving these goals.

We look forward to working with you to implement this policy statement.

Sincerely,

Clifford Whitman
President, N4A

Sincerely,

Charles Reed
President, NASUA

CW/CR/clw

enclosed

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A Policy Statement

on

Minority Aging Services and Employment In The Aging Network

Adopted by the

NASUA and N4A Boards of Directors

Prepared at the Direction of the

NASUA/N4A Task Force on Minority Aging Services

Janaury, 1984

The National Association of Area Agencies on Aging and the National Association of State Units on Aging remain committed to the belief that serving the needs of America's minority elderly is an absolutely central mission and challenge facing the aging network. We also believe that continued and intensified efforts must be undertaken in the areas of affirmative action, minority contracting, program accessibility and service targeting in order for the network to truly fulfill its responsibility to the minority aged. NASUA and N4A reaffirm their goal of increasing the involvement of minorities in the planning and implementation of aging services and call upon its member agencies and the entire aging network to intensify specific efforts to achieve that goal.

We believe that minority elderly persons must have equal opportunity to benefit from all publicly supported income and service programs and in particular those implemented under the auspices of the Older Americans Act. A set of unique barriers serves to limit aged minority persons from utilization of and access to social and human services including differentials in socio-economic status, geographic distribution, insufficient outreach efforts, cultural and language distinctions, political biases, variations in eligibility requirements for services, and inadequate federal, state and local monitoring of compliance with affirmative action and other civil rights laws and regulations.

NASUA and N4A are committed to working together with their members and the entire aging network to overcome these barriers in the following specific areas:

o Affirmative Action

State and Area Agencies on Aging must remain committed to equal employment opportunities by implementing vigorous organizational policies and practices in support of affirmative action efforts. These should include formal recruitment procedures for increasing minority representation among staff as well as promotion and training goals for minority employees. State and Area Agencies, where necessary, must work to ensure that state and local civil service systems do not inhibit equal employment opportunities in their agencies. State and Area Agencies must enforce compliance with affirmative actions laws and regulations through effective monitoring and evaluation techniques with substantive corrective actions taken when necessary. Cognizant of the barriers encountered by limited/non-English speaking persons, we urge State and Area Agencies to encourage employment practices that ensure bilingual legal assistance and information and referral services.

o Minority Contracting

It is critical that State and Area Agencies work to expand contracting opportunities for minority controlled entities. Minority entities which can demonstrate effective capacity to provide services toward achieving the objectives of Title I of the OAA should receive a representative number and level of awards. Technical assistance should be provided to minority organizations to expand their participation in OAA programs and OAA Title III funded organizations should be encouraged to make subcontracts to minority firms. State and Area Agencies on Aging should maintain current information on awards to minority firms.

o Program Accessibility

Barriers which inhibit equal access of elderly minority persons to service programs must be removed. Information about Older Americans Act programs, the availability of services and how to access them should be more effectively disseminated to the minority elderly community, in languages other than English as appropriate. Bilingual interpretation, where necessary both oral and written, should be available at all public hearings and translations of state and area plans should also be made as appropriate. Minority elders have a need for more programs with greater resources that are located in or near areas of high minority elderly concentration and/or that are easily accessible by public transportation. Outreach efforts need to be expanded in minority communities.

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- **Service Targeting**

The Older Americans Act should be amended during the 1984 re-authorization process to require more specific targeting of program funds to the needs of minority elders. The language which targeted funds to "low-income and minority persons" prior to the 1978 amendments should be reinstated into the Act with the additional language of limited/non-English speaking persons. The new provisions in the Act should be implemented with enforceable federal and state regulations and program instructions which include appropriate reporting requirements at the area, state and federal levels.

amendments

Proposed Action Steps

In pursuit of these goals, NASUA and N4A commit themselves to the following actions steps:

- To urge the Administration on Aging to work with NASUA, N4A, the Asociascion Nacional Pro Personas Mayores; National Caucus and Center on the Black Aged; National Indian Council on Aging; and National Pacific/Asian Resource Center on Aging and, as appropriate other national groups representing the minority community to develop and disseminate a series of guidelines, program instructions, training packages and technical assistance efforts designed to assist State and Area Agencies in this area.
- To pursue with appropriate congressional committees amendments to the Older Americans Act to more specifically target OAA funds and services to the minority elderly.
- To urge the U.S. Bureau of the Census to publish data by county for the 60 plus limited/non-English speaking population.
- To urge the Administration on Aging to continue and expand the Minority Management Intern Project with more appropriate funding cycles for State and Area Agency participation. To continue to work with the National Caucus and Center on the Black Aged in finding employment opportunities in the aging network for the interns.
- To collect, synthesize and disseminate best practice information on how State and Area Agencies on Aging have successfully addressed the issues of affirmative action, minority contracting, program accessibility and service targeting.
- To develop a special report from the National Data Base on Aging on the employment and participation of minority elderly in Older Americans Act programs.
- To contstitute the NASUA/N4A Task Force on Minority Aging Services as a permanent standing committee of the Associations to provide continued leadership on the issues involved.

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